Daily Report

Latin America

FBIS-LAT-94-144
Wednesday
27 July 1994

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FBIS-LAT-94-144 *27 July 1994*

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Cuba

Raul Castro Delivers Moncada Anniversary Address

PA2707012494 Havana Cubavision Television in Spanish 2316 GMT 26 Jul 94

[Speech by First Vice President Raul Castro marking the 41st anniversary of the Moncada assault at the Pioneers Palace on the Isle of Youth—live]

[Text] Dear Fidel; beloved comrade Army General (No Muyien Giap); illustrious representative of the brotherly people of Vietnam [applause; crowd chants: "Cuba, Vietnam—united they will win."]; dear friend (Jose Antonio Barroso), mayor of the city of Puerto Real, passionate ambassador of the solidarity of the Spanish people with our fatherland [applause]; distinguished guests; fellow countrymen:

Many memories come to mind: the days prior to the assault on the Moncada Barracks; the trip to Santiago; the hours of uneven combat; the bitter days of Boniato Prison; the parody of the trial; the moment at which, looking out from the small window of the airplane carrying the convicted ones, we discovered we would not be imprisoned at the fortress of La Cabana as the tribunal had decided but, rather, at the prison on the Isle of Pines, cynically called Modelo Prison.

We were too young at that time, and we were able to carrying out, with Fidel's leadership and organization, those events that resumed armed, revolutionary action. We fulfilled our duty during the year of the centennial of the apostle, who was banished to this island when he was even younger than us due to his love for the independence of our fatherland.

Antonio Maceo was also younger when he waged his first combat and earned his rank of sergeant due to his bravery. Julio Antonio Mella was murdered in Mexico at the age of 26. Cuban youths have always been at the frontline of patriotic struggles.

The rebel army was a troop of chiefs, officers, and young combatants. Young men have generously offered their precious lives in Angola, Ethiopia, and in various countries of the world for the internationalist ideal of fighting together with brotherly peoples and against oppression. At this time, as we dedicate this 26 July to today's young generation and as we selected this Isle of Youth as the site for this central event, we are expressing our absolute trust in the millions of young men and women who are waging, together with their elders, the most difficult battle the Cuban nation has ever confronted.

The efforts of our youth are outstandingly present at every battlefront. They are in the FAR [Revolutionary Armed Forces] military units, mounting guard for the fatherland. They are guarding our country's borders at the cays and along solitary areas of the coasts, watching over internal order and the security of the state. We find the young combatants of the Interior Ministry everywhere, in the Youth Labor Army, deployed in the mountains and plains, in coffee, sugarcane, citrus fruits, and tobacco plantations as well as at various crop farms. The young workers constitute a high percentage of our working class and are the majority among the university professionals and midlevel technicians. They are outstanding due to their number and their contributions at scientific research centers. Naturally, hundreds of thousands are studying at midlevel schools and at schools of higher learning. In culture and sports, the expertise of our young artists and the courage and training of our athletes transcend our national borders.

We can be proud of our young people: wholesome, jovial, cooperative, studious, hardworking, and free of drug-addiction, gangsterism, and other vices that morally cripple growing numbers of young sectors in both rich and Third World countries. This does not mean 100 percent of our young people exhibit socially correct behavior. There are misguided young people in Cuba. These sorry elements do not embody our young people. They do represent, however, a social factor which we must not underestimate and with which we must work hard and patiently to reeducate them.

Our Union of Young Communists [UJC] is a prestigious organization that is full of creative ideas and has a great ability to marshal and mobilize students and young people. It does not disregard work with the children, through the Organization of Pioneers.

In schools, the Federation of Intermediate Level Students and the Federation of University Students are legitimate emulators of Cuban students' tradition of struggle. Tens of thousands of these students form part of the student brigades of workers during this warm summer, and they spend part of their vacation doing hard, agricultural work. Those who were young during the days of the Moncada Barracks, Granma, and Sierra Maestra, those who were young yesterday, and those who are young now have the common patrimony of the edifice which we all have built.

We are identified by common patriotic and revolutionary values that permit a natural, generational flux.

The big tasks assigned to the young people, since the days of the literacy campaign down to the internationalist missions, have served to engage the dreams of heroic deeds that are characteristic of the young.

The doors of education the revolution has opened wide for everybody have enabled the young to go as far and as high in their pursuit for knowledge as their talent and will allow them.

This island is evidence of what young people can do. They have transformed this island.

Young people from all corners of the country have colonized and garnished this place, which for a century was synonymous with prison and exile, horror, torture, and death.

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When Jose Marti and Pablo de la Torriente Brau were young, they wrote volumes denouncing this terrible situation. Today, they would write beautiful pages describing today's situation, as thousands of young people from approximately 50 Third World countries receive solidarity, love, and education here.

The Isle of Youth is not just a grand, international school; it is also a producer of citrus, lobsters, and marble, to mention only its exportable products. Great investments have been made on the island during the 35 years of revolution, in both structural works and social and economic works.

The people from the Isle of Youth are aware that only constant work and the efficient exploitation of installed, productive capability will allow them to be self-sustaining in food production and other consumer articles as well as afford them the possibility of returning to the national economy the resources invested in the island's development.

By deciding the Isle of Youth would be the venue for this event, the Politburo was demonstrating its recognition of the effort made in this municipality for more than three decades, the determination with which it is facing the difficulties of the special period and the particular attention it is giving to defense tasks with the objective of being declared ready for defense during the second phase.

We congratulate the people from the Isle of Youth for the advances and for the will of the party directorate and the government of not allowing itself to be conquered by the it-cannot-be-done attitude. We especially congratulate the youthful first secretary of the party's municipal committee, citizen (Emilio Gonzalez Farad) [applause], who was born and raised on this island. He has been a witness to as well as a participant in the transformation of the land of his birth, of this piece of Cuba.

Citizens, the will to withstand the rigors of the special period and to overcome the difficulties and come out ahead, the character of the people of the Isle of Youth, is what is predominant from one extreme to the other of the largest island in the Antilles. Our people are rising to the occasion in the face of the dangers of all types that are brewing around the fatherland. They are reviewing and strengthening their militant lives and resolutely devoting themselves to creative work, a process which is the only way to overcome the special period.

We are constantly touring the country not only to review the engineering works for defense, the maintenance and preservation of weapons and combat techniques, and the state of preparedness of the millions of men and women who would victoriously wage the war of all the people in the event of an imperialist aggression. More than just visiting the batteries where the cannons are kept, we are touring the plantations where beans are being grown.

The country's main political and economic task today is the production of foodstuffs, including sugar. There where this objective is being pursued with determination and initiative, there where the cadres know how to instill in all the people the conviction this can be done, we are advancing in the improvement of the food situation, step by step, firmly consolidating what has been achieved and maintaining our course forward, an example of which is seen in the small municipality of Caybarien.

Guantanamo, the most easterly and impoverished province, is also an eloquent example of successful struggle against adversities. Three floods in only three months there have left property damage amounting to millions and swept away banana farms and other plantations time and time again. The people of Guantanamo repeatedly rose together, however, to recover the losses and do much more.

The people of Guantanamo did not cry and lament over flooded rivers; instead, they controlled the flooded waters with the heroism they learned from their Mambi grandparents and their rebel parents.

We held territorial party meetings during these days in July, one in the six eastern provinces, another in the five central provinces. We will hold another meeting very soon for the three western provinces, including the special municipality of the Isle of Youth. These meetings will have a specific objective: to analyze how to face with greater efficiency and unity the challenges of the special period, the intensified imperialist blockade, and the unbridled campaign launched by counterrevolutionary radio stations from the United States on 17 frequencies with 1,148 hours weekly of distorted news reports and coarse slander against Cuba.

These meetings characteristically analyze a broad agenda, but in a peculiar manner. We do not make the usual recount of what has been accomplished; instead, we analyze what the difficulties and deficiencies are in each place. Within a fully democratic atmosphere, with realism, aggressiveness, and optimism, we subjectively identify those deficiencies that need to be promptly remedied and those deficiencies we objectively define as needing creative, alternative solutions.

Just as we have done at those meeting, we are taking advantage of this podium to summon all revolutionaries and patriots to close ranks and fight together under the direction of the party in each province, municipality, council, community, work or study center, convinced that the intelligence and force of the questioned masses can accomplish everything and that the special period will be a new victorious battle in our fatherland's heroic history, under Fidel's supreme direction.

Citizens, without even brushing off the dust from his trip, after rendering a most fervent homage to the liberator, Simon Bolivar, and after signing on behalf of Cuba the agreement establishing the Association of Caribbean States, the most outstanding son of Cuba in this century is here presiding over this event, as is his custom.

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[applause; crowd shouts: "Raul, we can do it here! Long live Fidel, and viva the revolution! Viva!"]

He is the one who showed us we could assault Moncada Barracks; that we could change that setback into a victory; that we could reach Cuban coasts on board the Granma yacht; that we could resist the enemy, hunger, rain, and cold; and that we could organize a revolutionary army at the Sierra Maestra following the disaster in Alegria del Pio [applause]. He showed us we could set new guerrilla fronts in Oriente Province with our columns and Almeida's. He showed us we could defeat the offensive of more than 10,000 soldiers with only 300 rifles; that we could emulate the Maceo and Gomez epic fight by reinforcing the battle from one coast to the other with the columns headed by Che and Camilo; and that we could oust the Batista regime supported by the imperialistic United States with the people's support.

He taught us we could defeat the mercenary invasion of Playa Giron in 72 hours while campaigning to eradicate illiteracy; that we could proclaim the socialist character of our revolution at some 90 miles from the empire, as its warships were on their way to Cuba to aid the mercenary brigade; that we could firmly hold onto the irrevocable principles of our sovereignty without surrendering to the U.S. nuclear blackmail during the October 1962 crisis; that we could send solidary aid to other brotherly peoples to fight colonial oppression, foreign aggression, and racism; that we could defeat South African racists by safeguarding the territorial integrity of Angola, by forcing the independence of Namibia, and by landing a heavy blow on the Apartheid regime.

He also taught us what could make Cuba a medical power by reducing infant mortality to the lowest rate in the Third World while considerably raising our population's life expectancy; that we could make Cuba a great scientific country by making progress in the modern and decisive fields of genetic engineering and biotechnology and by entering the closed sphere of international pharmaceutical trade; that we could develop tourism despite the U.S. blockade against us; that we could build land causeways to make Cuba a growing and more attractive archipelago by tapping our natural beauties to attain a growing source of foreign exchange; that we could resist, survive, and develop ourselves, without renouncing the principles and achievements of Socialism, in the unipolar world despite the omnipotence of the multinational companies that emerged following the fall of the European Socialist Bloc and the disintegration of the Soviet Union.

Fidel's ongoing teaching is: It can be done. Man can overcome the most difficult situation if he does not abandon his will to win, if he correctly evaluates every single situation and does not renounce fair and noble principles.

As you all know, our commander in chief has just returned from Cartagena de Indias, from the summit meeting of chiefs of state and government who constitute the Association of Caribbean States. This association is composed of 25 independent states, Cuba and other islands of the Greater Antilles, the Lesser Antilles, Central America, Mexico, Colombia, and Venezuela, and 11 associate members that are dependent territories. All these countries have a population of approximately 200 million and a territory of 4.5 million square kilometers.

Despite U.S. opposition, the Caribbean brothers said no to Yankee pressure. They bravely said that one cannot conceive of the Caribbean without Cuba. This is an important step toward Latin American integration, which was the ideal of Bolivar and Marti and today is a cause for which our people are ardently struggling.

This small country, under a blockade and harassment from the empire, has been chosen as a founding and full member of an association of countries in its geographic area. This is a diplomatic and political victory for Cuba and a bitter pill for anti-Cuban circles, which predominate in the U.S. Administration and legislature nowadays.

In the face of each victory our country achieves in the international arena, U.S. experts in anti-Cuban campaigns launch a campaign to becloud it. To cite just one example, remember how in 1979, when Cuba assumed the Nonaligned Movement presidency, the U.S. Senate found, between quotation marks, there was a Soviet Brigade in Cuba. The Senate found this out after that brigade had been in the country for 17 years. Now they are unscrupulously taking advantage of the accident involving an ancient tugboat that was commandeered under the direction of two irresponsible individuals, an accident in which more than 30 people died, including women and children who had been involved in the attempt to leave the country illegally.

For these lives lost on the bottom of the ocean, one has to place on trial primarily the U.S. Administration and its permanent attitude of aggression toward our country, which includes the immigration policy for Cuban citizens, to whom it denies visas to travel legally to the United States but welcomes them as heroes when they arrive on the Florida coasts in rafts and fragile vessels or in hijacked airplanes and helicopters, without the slightest concern for the risk being run by those who use these methods.

In this case, the organizers of the boat seizure, by having placed more than 60 people in a 115-year-old wooden tugboat fit to carry a crew of only four and sailing in port waters, traveled toward an inevitable wreck in the strait.

Cuban authorities have thoroughly investigated the event and exhaustively informed its public of how the tragic events occurred. Half the people in the tugboat were saved from perishing thanks to the timely and courageous action of the border guards, who rescued 31 people from their deaths, and to the attitude of the workers, the crew members of the other three tugboats who tried to foil the theft and stop the death trip of the

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63 people who were on board a large coffin that apparently floated but was unavoidably destined to sink long before it got to any port. Those workers generously gave their own life preservers to the shipwrecked. This is how comprehensively we investigated the shipwreck. The survivors themselves have helped clarify the events.

We strongly reject the orchestrated, hypocritical, and deceitful anti-Cuban campaign regarding this event and the coarse intervention in the internal affairs of our sovereign country by the United States or any other country. Neither the State Department, the U.S. Senate, nor President Clinton has any right to intervene in an event that is the exclusive jurisdiction of the sovereign government of the Republic of Cuba. The United States lacks not only a legal basis to legislate on an event that took place in our territorial waters but also the moral authority.

Confronted with so much hypocrisy and opportunism, we are obligated to recall the tragic events in Waco, Texas, last year. World public opinion followed with anguish for 51 days the actions of the federal officers close to the installations of the Branch Davidian sect. Millions of people around the world prayed to their god that the police siege would not end in a horrible, human tragedy. The end took place before the terrified eyes of television viewers in all the corners of the world: the initiation of police attacks against the wooden structures of the religious institution; the advance of the armored vehicles; the throwing of tear gas; the shooting of lethal weapons; and the deadly explosion in the church in which more than 80 human beings were burned to death, including many women and children. No one can claim accidental causes in this appalling incident, because the action had been cold-bloodily planned for several days, perhaps weeks, by the FBI, that is, the U.S. Federal Bureau of Investigation, and the Texas police. It was approved by the U.S. attorney general, who obtained President Clinton's authorization to act.

Everything I have said is confirmed by the textual and public statements of both authorities. Attorney General Reno had admitted she had made a number of errors in assessment and judgment. Under the overwhelming weight of her responsibility in such tragic results, which, of course, she did not expect, she presented her resignation, but the president did not accept it. Nevertheless, such a serious event has not been convincingly clarified, and we do not know whether any security officer or government employee has been to jail or brought to trial because of it.

The invisible strings in the United States used to gag the press for reasons of the state functioned once again in the Waco case. One year prior to that, there had been an explosion of violence in Los Angeles, California, and in other states when four white policemen were acquitted after savagely beating Rodney King, a black driver. As a result of the repression by the authorities, 44 people were killed, 2,000 were injured, and an undetermined number were imprisoned. We yield our assessment of these events to what a U.S. newspaper, THE NEW YORK TIMES, stated: This is what we have in this country: Fear against fear, hatred against hatred, revenge against revenge, end of quote.

While this is the brutality and violence that prevails in the United States, on the contrary, something such as this has never happened in our country. There are no missing or tortured individuals here, and we do not have here the classic death squads that abound in Latin America without the State Department really worrying about that. Those in Cuba who join that cynical campaign against our country are showing their true faces as traitors and accomplices of the enemies of the fatherland.

Fidel has said many times: This society is made up of volunteers. The country's doors are open for those who want to leave legally. There have always been people for whom the concepts of fatherland and independence mean nothing. There always were, are, and will be deaf people who refuse to listen to the bells of Majagua. The vast majority of our people deeply love their fatherland, however, and the glorious history of its existence as an independent nation, thanks to the sacrifice of its best children for more than 125 years of struggle for freedom. That struggle for freedom began last century, continues during this century, and will continue just as strong during the 21st century, during the next millennium of our era.

In the face of the empire, which seeks to make us yield and impose its will on us, and the traitors who in our own backyard have always agreed with the enemies of the fatherland, we will fulfill the Marti rule of never allowing the sword of freedom to fall. We must raise that sword higher than ever before, because that incensed campaign over the sorrowful event of the tugboat, at a time when the United States is intervening in any point of the world with similar pretexts, entails a serious threat to Cuba.

The U.S. Senate has gone so far in its anti-Cuban hysteria that it has decided to suggest to the president that he accuse Cuba at the United Nations and propose a Security Council resolution condemning it. We cannot underestimate this Yankee escalation against our country that is taking place in the unipolar world in which we live and at a time when our fatherland is facing its most difficult times.

Hence, as in the dangerous days of the October crisis 32 years ago, together with millions of Cubans, let us repeat today: For whatever, however, and wherever, commander in chief. [crowd answers: "Give the order."] [applause]

National Assembly President on Situation

PA2607234894 Havana PRENSA LATINA in Spanish 0932 GMT 23 Jul 94

[Report on "exclusive" interview with Ricardo Alarcon, president of the Cuban National Assembly of the People's Government, by Jose Dos Santos, PRENSA

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LATINA contributor; place and date not given: "Cuban Critics Hide Their Fear in the Face of Its Example. Ricardo Alarcon, president of the Cuban National Assembly of the People's Government, evaluates why the apocalyptic thesis on his country has not come to pass, as the nation begins to overcome the biggest economic crisis of the revolutionary period."]

[Text] Havana—With his smooth and convincing speech, Ricardo Alarcon de Quesada does not fit the description of a hardened diplomat when he presents his analysis forcefully and colors his assessment of the current Cuban situation in simple and direct language.

He has been the leader of the Cuban Parliament but a short time; already he has gained full control over the legislature's growing influence as the citizenry's representative and as a vehicle for the people's increasingly active role in the adoption and implementation of decisions.

His customary cigar accompanies his gestures like the baton of a great director who knows how to extract from each word/music the best and most relevant element of its contents.

This is how he appeared during this exclusive interview, discussing democracy in Cuba, unwarranted criticism, personal dissatisfactions, and the results of and prospects for a model of society that is daily being shaped.

We start the interview with attacks on Cuba from abroad.

[Alarcon] Deep down, the objective of the campaign against us is very much related to problems facing our critics. The offensives against Cuba have a very defensive character.

Many were counting on the hope that we, as occurred in several socialist ventures, would disappear when the Soviet Union's crisis developed. Today, it is an established fact that this did not happen. Several years have elapsed, and we are still here. Their apocalyptic thesis did come to pass.

Our difficulties, which are many and real, are felt by all Cubans. But these difficulties are distorted and manipulated abroad to show us in an unattractive light to the people of nations that experience situations much more dismal than ours.

I don't say this to mean that we should be happy with our electricity shortages, or this, that, and the other but rather as objective information. I think some politicians have a defensive attitude and try to hide behind us to try to avoid answering to their countries, were poverty exists and has always been felt by most of their population, not for a specific period but for an infernal length of time.

Cuba continues to be a basic point of reference. Thus, they try to present us as a great disaster and a dead-end idea in an attempt to snatch away the hopes of the dispossessed who believe our resistance is very important.

These critics display a certain amount of anxiety—this confirms their defensive attitude—when they start to see that we have the ability to overcome this phase, even if the Cubans still do not feel this directly.

[Dos Santos] How is this ability being expressed?

[Alarcon] It is being expressed slowly and in very concrete things. With great simplicity, we recently announced that three agreements had been signed with foreign firms: the telephone system with the Mexicans; nickel ventures with a Canadian firm, and another one with our perfume and soap firm.

We have reached other agreements, but those three are the international investments. They are not small investments, like some people in Miami who are thinking of sending $20,000 to an aunt so she can set up a small business.

It means a lot for big foreign firms to establish agreements worth hundreds of millions of dollars with Cuba; no one does this with a government in crisis.

Furthermore, these are documents that have been signed with a state that does not sell its national resources. We are not, like others, privatizing everything from toilets to railroads. The agreements correspond to a strategy and a priority framework established by us, which is more convenient for us and is in terms that always benefit Cuba and the foreign investor.

Those big businessmen come under those conditions and sign agreements with a socialist government, which is trying to save a socialist project that some believe to be in an insurmountable crisis.

Of course, they have conducted their investigations before coming to us. They have an idea of the situation in the country and its problems, which have increased with the blockade that was strengthened by the Torricelli law. But today we have more investments than in 1993; that trend is on the rise.

Several enemies, at least in their subconscious minds, have started to become aware of this and worry about it, because Cubans have managed to withstand this period and, what's more, we are starting to climb out of the hole.

They believe they are threatened by the fact that they will have to give an account, in a few years, to their people of how it was possible for Cuba to fit in and adapt to the world without giving up its goals, despite the loss of all its trading partners amid a severe blockade.

We are in a somewhat paradoxical phase. As our capability to beat the crisis becomes more evident, the anti-Cuba campaign is intensified. This is why I label it as defensive.

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[Dos Santos] How is this campaign evident in other aspects?

[Alarcon] In human rights, individual liberties. How can one say what has occurred in Eastern Europe has not occurred here if the situation is so bad and the crisis so severe and disastrous?

One would have to believe Cubans are led like a flock of sheep; this is not at all in accordance with the history of the Cuban people. Whoever comes here realizes the Cuban individual strongly expresses himself everywhere with freedom. He can never be subjugated.

[Dos Santos] What will be the policy regarding possible election observers, given this practice is one widely used?

[Alarcon] We have invited many observers to come and see how our system is practiced, to exchange experiences and points of view. I do not favor an attitude of isolation. One can always find something useful in any society, system, and organization. Furthermore, we do not take visitors to a formal meeting or a dinner only. They also attend assemblies in which delegates give an account to their constituents or a parliament in the work place, in which workers debate the state of the nation or their organization, and they adopt agreements to make these operations more efficient.

Visitors accept the fact that these types of involvement are superior to their own, while they relay to us criteria that enrich us. Even though we did not plan this, there is an uncontrollable upsurge in these exchanges of relations abroad, contrary to the famous campaigns.

Delegations have been visiting here the past few days from Costa Rica, Paraguay, and Colombia, just to mention a few. When they returned to their country, they made extraordinary statements against the blockade and recognized the characteristics of Cuban society.

This type of activity must be propagated and developed. National elections in February coincided with the visit of Humberto Celli, president of the Latin American Parliament. Celli made very objective statements and recognized the democratic, real, and genuine character of true participation.

Celli said while people in other countries refuse to participate in elections, people in Cuba participate with enthusiasm and in great numbers. We did not bring him in as a supervisor, but we encourage such visits, which are befitting of our system. The vote count is public, and any individual, from a foreign deputy to a reporter, can be present, as it was during the February elections.

[Dos Santos] When will new elections take place?

[Alarcon] We will have municipal elections in 1995, although the day votes are cast is not the only important one for us. There is also the time for the people to propose the candidates, from the rank and file, in thousands of meetings.

Anyone can see this election, not with the goal of granting us absolution or not but, rather, of helping counterattack the harmful effects that are imparted in certain minds caused by propaganda.

Our main concern for quite a while has been to create, develop, and perfect a genuinely democratic system in Cuba, a system which has to be Socialist; otherwise, how will the problem of inequality be solved? This is not a Marxist invention. The thinkers, from Plato to Rousseau, had already established this dictum: With inequality there is no democracy, no government of the people.

Equality is not enough, of course. In order for a citizen to feel as a participant, it is necessary to create conditions and develop facilitating political forms.

We are in the process of seriously exercising and developing democracy. The rest is a game of words, a concept as a product to cause annoyance. The worst part is their people do not believe in their policies, and this is why they participate less in elections each time.

This is how abstention is the option with the largest number of votes in other nations, while 99.6 percent of the electorate cast their votes in Cuba in 1992, and the majority of the deputies garnered 95 percent of the votes cast.

Raul Castro Chairs Meeting With PCC Officials in Villa Clara

FL2607160694 Havana Cuba Vision Network in Spanish 0000 GMT 26 Jul 94

[Report by Marta Moreno; from the "NTV" newscast]

[Text] Army General Raul Castro, Cuban Communist Party [PCC] second secretary and Revolutionary Armed Forces minister, chaired a meeting in Villa Clara with the main PCC, Union of Young Communists, and mass organization leaders from the five central provinces and their 53 municipalities. The meeting involved more than 60 comrades and lasted more than 12 hours.

Participants discussed important issues like providing food for the people, reinstating discipline and revolutionary vigilance nationwide, and, above all, paying close attention to the ties with the masses and the labor-peasant-student alliance.

These and other issues were discussed but not in the traditional manner. In any case, the discussion focused on problems and the ways to solve them with the participation of every person in his assigned place.

[Begin Division General Ulises Rosales del Toro recording] If people see the PCC, its cadres, and activists [words indistinct] objectively, they will have a positive and admiring opinion about Communists. To be a Communist today is to be a revolutionary in difficult

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times, dedicated to the people's problems and standard-bearers of the optimist, combative, audacious, and creative concept that things can be done. [end recording]

Raul emphasized: We live in crucial times and it is time to face problems in a dignified way, to strengthen our ties with the people and, above all, to reject lies. He quoted our commander in chief from over 30 years ago.

[Begin Castro recording] They caught us telling a lie and forced us to live with it. Our hearts sank when we realized the truth, but it was better for our hearts to sink rather than live with a lie. [end recording]

Another extensively discussed topic was agrarian production, including distribution-marketing procedures, prices, participation of various categories of producers, state-owned farms, Basic Cooperative Production Units and Agriculture-Livestock Cooperative, private land owners and tenants, and other issues which may help fulfill the people's need for food—the number one goal in the current economic and political activities.

Special attention was given to the sugarcane sector's recovery and sugar production, the main source of revenue for our national economy. Agriculture Minister Alfredo Jordan and Sugar Industry Minister Nelson Torres, both members of the PCC Politburo, and Fishing Industry Deputy Minister Enrique Oltuski referred to the actions carried out by their respective organizations to increase production, lower costs, and progressively reduce state subsidies.

Orlando Lugo, president of the National Association of Small Farmers, and other comrades talked about the reduction in deliveries from the peasant sector to the state's distribution centers and the sale of part of their production on the black market—which jeopardizes the workers' economy and deteriorates fraternal ties between the two classes, whose alliance is vital for the defense of the achievements reached by socialism and the fatherland's independence.

Lugo also referred to the lack of raw materials needed in the production sector and the lack of industrial products for personal and local consumption experienced by the peasant sector. There was a consensus among participants on the need to study and seek trade formulas that are more consistent with the current economic and financial situation that prevails in the country, to encourage an increase in agrarian production in every sector, to create a more direct distribution to consumers by simplifying current marketing systems and new formulas of attracting surplus production into the national network. They also agreed on the necessity of increasing the struggle against speculation, profitteering, and, above all, against criminals who steal and illegally slaughter cattle.

The meeting's participants also reviewed efforts to put the domestic economy on a sound basis to support the measures, because it is an essential issue for the country's economy.

Army General Castro emphasized that the cadres' creative capability is required. We must all work to attain results because we cannot rely on good intentions.

[Begin Castro recording] If we cannot establish the difference between essential things and secondary things we will be surpassed by events. We see many political, administrative, and other types of cadres surpassed by events because they do not know where to start working. [end recording]

Raul ended by issuing an appeal to work together under the party's leadership, seeking alternate solutions and, above all, countering deficiencies that are not a result of the special period or imperialist blockade.

Fidel Castro Visits Simon Bolivar's Home, Museum

FL2607163794 Havana Radio Rebelde Network in Spanish 2300 GMT 25 July 94

[Report by Demetrio Villaurrutia, from Cartagena de Indias, Colombia, from the "Exclusive" program]

[Text] Commander in Chief Fidel Castro visited San Pedro Alejandrino Estate, where Simon Bolivar spent his last days, on 25 July. Castro paid a surprise visit to the museum sitting on this historic site, located in Santa Marta, on the Atlantic coast. He met museum employees on Bolivar's final days. Castro was visibly moved and said he was pleased to learn more about Bolivar's life. Castro arrived just before 1200, accompanied by Cuban Foreign Minister Roberto Robaina and others. Castro expressed deep feelings and unending admiration for Bolivar in his visitor's log entry:

[Begin recording] [Castro] It has been really moving. You cannot imagine what is kept here, the love that has gone into preserving everything, the care taken to preserve the farm and the house in which he lived and died, the fatherland's altar, the museum of art from countries liberated by Bolivar. I saw the mural. Everything is impressive. I came to see the house in which he died but have been very much impressed with everything else. Everything is well organized and maintained with dignity and great commitment. I asked the museum director about staffing: Only 17 employees tend the entire place, landscaping included, gardeners, maintenance. They have a huge site because [words indistinct] there are 22 hectares. And there is the Hall of Flags. It is very, very pretty. It is one of the most beautiful and moving places I have ever seen.

[Correspondent] Have you read about Bolivar?

[Castro] I have read every book and biographical sketch that I have been able to get my hands on.

[Correspondent] What is your impression following your visit?

[Castro] The devotion I have to Bolivar is reflected in my visit, as well as in the fact that I have read so much and have admired him so much throughout my life. This is

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why I am so impressed. I know about Bolivar's life, up to the last book by Garcia Marquez. I have read biographies, among the best written. Bolivar is one of the greatest men in history. [end recording]

San Pedro Alejandrino Estate was built in 1608. Simon Bolivar died here on 17 December 1830, following a prolonged illness. Bolivar's personal belongings are kept on this farm, and a monument to his memory was erected by the Colombian people to show their appreciation.

More on Fidel Castro's Remarks

FL2607165694 Havana Radio Rebelde Network in Spanish 1155 GMT 26 Jul 94

[News conference by President Fidel Castro Ruz with unidentified correspondents at the San Pedro Alejandrino Estate, in Santa Marta, Colombia, on 25 July; from the "Doing Radio" program—recorded]

[Excerpts] [Castro] I have been greatly impressed during my visit here. Our delegation has had the chance to honor the liberator one day after his birthday at the place where his glorious and immortal life ended. Bolivar lives and he will live forever.

[Correspondent] Commander, in his testament, Bolivar [words indistinct]. What more must we do to achieve this?

[Castro] There is still much to do, but we are almost there. [passage omitted]

[Correspondent] What is your impression following your visit?

[Castro] The devotion I have to Bolivar is reflected in my visit, as well as in the fact that I have read so much and have admired him so much throughout my life. This is why I am so impressed. I know about Bolivar's life, up to the last book by Garcia Marquez. I have read biographies, among the best written. Bolivar is one of the greatest men in history. I do not compare him to other conquerors. Much is said about Alexander and Julius Caesar, both generals, conquerors, and imperialists. Much is also said about Hanibal and Napoleon. Which of these is like Bolivar? Who did everything he did for the freedom of an entire hemisphere, for the freedom of the world? He is a great hero, a great warrior, a great statesman, who won his glories in the name of freedom. Many others fought in the name of freedom, but they did not fight for freedom.

[Correspondent] Have you given much thought to what your visit symbolizes? Yesterday, we celebrated Bolivar's birthday; tomorrow, we will celebrate the anniversary of 26 July...

[Castro, interrupting] I do not compare our anniversary to this great occasion because I believe it is too modest to be able to compare to other achievements.

[Correspondent] But they are historic dates.

[Castro] Yes, they are historic dates. It was also extraordinary that yesterday we were able to found the Association of Caribbean States. It was on Bolivar's birthday. I associated all these things and for some time I wanted to the visit the Quinta San Pedro Alejandrino as it is called, but this is an incredible place.

[Correspondent] What would you call it?

[Castro] Well, I do not know. If we call it a museum, then it is a museum. Because this whole place is a museum. It has a modest name. It does not have a generic name, but they may have to find one so visitors know what they will see here.

[Correspondent] What name do you suggest?

[Castro] I would not dare to find a name off the top of my head for something as great as this. Maybe great museum. It would have to be something about great museum of San Pedro Alejandrino or maybe Bolivar museum. There are many other things here, especially when one thinks that all one is going to see is his house.

[Correspondent] That testament is...

[Castro, interrupting] A great thing. He wrote it on the last day that he was conscious. I was told by one of the directors that when they did an autopsy, his brain was intact. Nevertheless, everything else was destroyed. It was a hard death and there were no medicines, consolation, or relief for such a sickness. It was a tragic death.

Lazo, Robinson Witness Mock Attack on Moncada Barracks

FL2607180694 Havana Radio Rebelde Network in Spanish 0900 GMT 26 Jul 94

[Report by Carlos Sanabria, in Santiago de Cuba; from the "Doing Radio" program—live]

[Excerpts] A total of 135 Young Pioneers just participated in a mock attack on the Moncada Barracks, currently known as Ciudad Escolar 26 de Julio, in Santiago de Cuba. The old Moncada fortress' front balcony and esplanades are crowded with people from Santiago de Cuba. A Young Pioneer reads the names of the martyrs of the Moncada. [passage omitted]

Witnesses of this symbolic assault on the Moncada Barracks include: Esteban Lazo Hernandez, Politburo member, Council of State vice president, and Cuban Communist Party [PCC] first secretary in Santiago de Cuba Province; Comrade Juan Carlos Robinson Agramonte, who on 20 August will replace Comrade Lazo as PCC first secretary in Santiago de Cuba Province; mothers of Santiago de Cuba's Revolutionary martyrs; Revolutionary combatants; and thousands of people from Santiago de Cuba. [passage omitted]

Pioneers and other Santiago de Cuba youths will hold a cultural-political event later. A total of 41 pioneers and other youths will reenact what is known as the March for

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Freedom after this event. This march consists of following the same path that Fidel and his comrades followed on the day they attacked the Moncada. [passage omitted]

PRC Officials Attend 26 July Embassy Reception

FL2607200194 Havana Radio Rebelde Network in Spanish 2300 GMT 25 Jul 94

[From the "Exclusive" program]

[Text] Various PRC political and military officials, as well as members of the diplomatic corps accredited to Beijing, today attended the reception hosted by the Cuban Embassy in Havana on the occasion of the 26 July anniversary. PRENSA LATINA news agency reports that Cuban Ambassador Jose Guerra Menchero conversed for almost two hours with his guests, including the director of the General Political Department of the People's Liberation Army, the director of the Foreign Relations Department, and the deputy director of the International Relations Department.

TV Carries Tugboat Hijackers' Remarks

FL2607203894

[Editorial Report] Havana Tele Rebelde and Cuba Vision Networks in Spanish at 0021 GMT on 25 July carry as the last item in the regularly scheduled "NTV" newscast a 19-minute report on the hijack and sinking of the Trece de Marzo tugboat on 13 July.

Two studio announcers begin by reading select portions of GRANMA's recollection of events, without mentioning the hijackers' reported statements.

One of the announcers advises: "We now rebroadcast the Cuban television news report that has the hijackers explaining what really happened during the Trece de Marzo tugboat incident. The hijackers' statements reveal how propaganda on this incident was manipulated and demonstrate how events such as this are truly the result of arbitrary U.S. implementation of immigration accords between the two countries."

A video recorded report follows, including a shot of a port authority document certifying the tugboat as "in port traffic only" and close-up and medium shots of the hijackers seated before a blue curtain as they and the off-camera interviewers reconstruct events as reported by GRANMA. Each of the hijackers comments on camera alone, without the presence of the other hijackers. While some of the hijackers appear uncomfortable, twisting their mouths, tipping their heads to one side, and/or looking down or off camera as they speak softly, one of the hijackers is observed speaking loudly and gesticulating as he tells his story.

Video captions identify the boat pilot during the hijacking as Raul Munoz Garcia and participants in the hijacking as Eugenio Fuentes Diaz, Arguimido Legibrido Gamboa, Frank Gonzalez, and Modesto Almanza.

The following recorded remarks are aired:

Gonzalez: "I am really thankful that they rescued me, because I did not have the strength to continue.

Munoz: "Cuba is not opposed to you emigrating to the United States. The problem is with the Americans, the U.S. Interests Section. You go there wanting to emigrate, and they tell you no. They give you a resounding no.

Fuentes: "While I am convinced that the Cuban state will allow me to present my legal immigration papers to the U.S. Interests Section, I am not convinced that I will be granted entry.

Almanza: "The main culprit is the United States, which refuses us visas. If they granted them, we could travel to the United States without having to take to the seas and without losing so many lives during the crossing.

Correspondent: "The U.S. Interests Section will probably deny you a visa.

Legibrido: "There is a 101-percent chance that I will be denied a visa.

Correspondent: "What do you think would happen if someone—not you—hijacked a boat or left illegally on a raft?

Legibrido: "I would not be treated like the Haitians. They would let me in.

Gonzalez: "They are waging some kind of psychological warfare.

Munoz: "Something else I wanted to stress, as I already mentioned, is the degree of recklessness that Franmero—my late buddy—and I demonstrated. I am convinced that had I not gone aboard that tugboat, none of this would have happened.

Fuentes: "With us alone, the boat was filled with water in the rear and the sea was rough. I do not know if we would have capsized 10 or 20 miles out because it was too much weight.

Gonzalez: "It was an extremely reckless act on our part. The parents who brought their children aboard did not do the right thing.

Almanza: "We alone are responsible. We are the ones who took part in this absurdity.

Fuentes: "The responsibility is ours. It is extremely reckless.

Legibrido: "Regarding responsibility, let me tell you that we, the people aboard, are responsible, except the children, for getting on such an old—as I have been told—vessel which not seaworthy.

Correspondent: "Could this have been avoided?

Legibrido: "I believe so. If we had acted with more...[pauses] I don't know. If we had thought it through about the number of people aboard, this entire tragedy could have been avoided."

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The video recorded report ends and a studio announcer says: "We can draw two conclusions from this lamentable incident: First, the culpability of the U.S. Government, which by every available mean spurs illegal departures while at the same time closes the door to those who want to emigrate legally; second, the culpability of the reckless adventurers who do not only embark on tragedies such as this one but also drag along helpless people, such as the children who perished in this incident."

A video recording of several unidentified citizens commenting on the tugboat incident follows: a woman decries the recklessness of such individuals; a man stresses that no one in Cuba is forced to act in such a way and that these individuals acted illegally for no reason; a woman points out that foreign media blames the Cuban Government for these incidents without offering any proof; a man suggests that these things never happen in Cuba; a man claims that the United States denies visas to those who want to leave legally; a man calls these people adventurers and asserts that Cuba is not responsible for the United States closing its doors; a woman describes involving children in such activities as a monstrosity; a woman criticizes those who plan and carry out such acts; a man notes that the hijackers would never have reached their destination in such an old vessel; a man recognizes that the hijackers have acknowledged their culpability.

The report ends with an unidentified man pointing out that those who leave illegally know they are taking their lives into their own hands and that although many make it, many others do not.

Haiti

Ambassador to Canada Opposes Military Intervention

FL2607180594 Port-au-Prince Radio Metropole in French 1045 GMT 26 Jul 94

[Text] Emmanuel Ambroise, the government-in-exile's ambassador to Canada, opposes military intervention in Haiti. Ambroise, who was a member of the 1990 Electoral Council, believes military intervention to oust the military regime in Port-au-Prince would not be the best solution to the Haitian crisis. Ambroise made these statements during a political tour with the Haitian Democratic Resistance [Resistance Democratique Haitienne] through Boston on 24 July. Ambroise points out that the people's mobilization can always reverse the situation inside the country:

[Begin Ambroise recording, in Creole] That is not true. The Haitian people have other solutions. The people must stand up and mobilize themselves, because we are not responsible for everything that has happened. Friends on the outside are helping us. They keep running into the Haitian resistance. Invasion would not be the best solution. There are other solutions. [end recording]

CEP Begins General Election Consultations

FL2607193294 Port-au-Prince Signal FM Radio in French 1030 GMT 26 Jul 94

[Text] The Permanent Electoral Council [CEP] announced on 25 July that it will begin consulting the country's political parties today on holding general elections in Haiti. The CEP added in its communique that those consultations will last until 4 August. The CEP also issued an announcement on recruiting individuals to lead the future Departmental Electoral Offices. Provisional President Emile Jonassaint recently said that general elections would be the only solution to the Haitian crisis. Moreover, Hubert de Ronceray, of the Mobilization for National Development—one of the main opponents to President-in-Exile Jean-Bertrand Aristide—on 25 July labelled UN Secretary General Butrus Butrus-Ghali's plans for a 15,000-man contingent a declaration of war on Haiti. De Ronceray stated publicly that the Haitian people would never permit a return to colonialism. The CEP was known until 25 July as the Exceptional Electoral Council.

Meetings Held

PA2707034494 Madrid EFE in Spanish 2203 GMT 26 Jul 94

[Report by Herold Jean-Francois]

[Text] Port-au-Prince, 26 Jul (EFE)— The Haitian Electoral Council, established by former "de facto" Prime Minister Marc Louis Bazin, initiated today several meetings with leaders of right-wing political parties to discuss the organization of general elections to be held on a date to be determined.

The electoral officials met with representatives of the Haitian Christian Democratic Party, formerly headed by Sylvio Claude, now deceased. The party is now lead by Alexande Azar and Marie Denise Claude. They also met with leaders of the Assembly of Progressive National Democrats of former President Leslie Manigat and members of the Mobilization for National Development, headed by Hubert de Ronceray.

Despite the talks, leaders of important political organizations have announced that they will boycott the process.

The Electoral Council announced on Monday that it will meet with several political leaders to organize elections at "exploratory meetings with political parties to establish a credible and reputable electoral system." The council's announcement came prior to a UN report yesterday that it would study a draft resolution to authorize a multinational force to use "all necessary means," under the supervision of observers, to promptly reinstate the constitutional government of Jean-Bertrand Aristide, who was toppled by a military coup in September 1991.

The meetings, announced by the Haitian Electoral Council, will start tomorrow, Wednesday, and will continue until 4 August, a news communique reported today. The Electoral Council, which organized the 18 January 1993 legislative

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elections that were judged to be fraudulent, announced that it will recruit regional representatives to establish departmental electoral offices.

According to the orders of "de facto" President Emile Jonassaint, this council must prepare general elections so the new Haitian president can assume his duties on 7 February 1995, the date on which Aristide's constitutional mandate ends.

A source linked to the Socialist-leaning Haitian Nationalist Progressive Revolutionary Party (Panpra) told EFE that this organization will not participate in the electoral process. Panpra summoned its Central Committee this afternoon to establish its official position on the call to elections in Haiti.

Meanwhile, Rene Theodore, leader of the National Reconstruction Movement, told EFE that this organization does not yet have an official position on the elections. Theodore indicated, however, that the general mood in the movement was to reject the electoral process. "The Electoral Council was formed illegally, and the government has no credibility," said the former candidate for prime minister under the Aristide administration. Theodore asserted that the Electoral Council is controlled by the military and that the "puppet government" cannot guarantee neutrality. "We cannot spend money and energy in this process and are not interested in this kind of election," he said. Theodore added that he would wait for a legal electoral council to be established and for a credible government to participate in an electoral process.

For his part, Electoral Council President Balthasar Saint-Fort Line asserted that his organization will not consider the international community's reaction to the call to elections in Haiti. "What is important is that we hold elections within the term established by the Constitution," Saint-Fort Line stated. Regarding charges that conditions do not favor the holding of elections, he gave the examples of El Salvador, Colombia, and Bosnia, where elections were held despite the fact that there was an ongoing civil war.

Meanwhile, Stanley Schrager, U.S. Embassy spokesman in Port-au-Prince, said the United States will not recognize the results of elections held under the supervision of the current Electoral Council. Schrager said the U.S. Government wants free elections in Haiti, "where democratic candidates can participate with total freedom." The U.S.Embassy spokesman added that this is impossible with the military leaders in power and asserted that, if they are carried out, the elections will be similar to the 18 January 1993 legislative elections.

UPD Head Calls CEP Decision 'Irreponsible'

FL2607210394 Port-au-Prince Signal FM Radio in French 1030 GMT 26 Jul 94

[Excerpt] There is already a reaction. Rockfeller Guerre, leader of the Union of Democratic Patriots [UPD], after a long silence, calls the decision of the Permanent Electoral Council [CEP] irresponsible. The UPD leader believes the time for serenity has come so that a solution to the crisis can be found. Guerre asserts that UPD has never acknowledged the legitimacy of the CEP. [passage omitted]

FAI Claims Bomb Explosion; Threatens Rulers, Sansaricq

FL2607224794 Port-au-Prince Signal FM Radio in French 1030 GMT 26 Jul 94

[Text] An organization that calls itself the Indigenous Armed Forces [Forces Armees Indigenes], FAI, claimed responsibility in a communique sent to AFP on 25 July for the explosion that was apparently caused by a homemade bomb in Port-au-Prince on 24 July. There were no casualties. According to AFP, the communique dated 24 July [as heard] threatens the civilian-military mafia in power, and Senator Bernard Sansaricq, president of one of the antagonistic blocs of the Haitian Senate whose Senate presidency is not acknowledged by the international community, with armed actions.

The indigenous command, which has already made a few points by infiltrating key sectors of the national life and by dislocating the famous militia of the neo-Duvalierist Armed Revolutionary Front of the Haitian People, FRAPH, has resolved to struggle, united to the end, toward a large-scale action that can finally open a political space for all democrats, wrote a certain (Florian B. Macajoux) who signed the communique. The indigenous command, which seeks the unequivocal support of the international community in its undertaking, explains that it has given a free hand to its units as to the means of hitting the enemy, and that it will operate only at its convenience.

This Indigenous Armed Forces, previously calling itself the New Indigenous Army, has already claimed several similar actions, usually on the day after explosions that caused no casualties or material damage.

CONACOM Denounces Repression, Mistreatment of Prisoners

FL2607214294 Port-au-Prince Radio Metropole in French 1600 GMT 26 Jul 94

[Text] The National Congress of Democratic Movements, CONACOM, reveals that several of its members have been victims of repression in various parts of the country. CONACOM cites the case of Paul (Egnol) Maxime, elected mayor of the city of Saut-d'eau, who was apprehended on 16 July during a patron feastday celebration. He was released without appearing before a judge and according to the party led by Victor Benoit, he suffered ill treatment.

CONACOM condemns the raid that took place last week on the premises of the National Progressive Democratic Party of Haiti and the arrest of one of the people in charge, Etienne Herise.

According to the CONACOM, those actions that it calls illegal translate to a preoccupation with dictatorship inHaiti by those holding power. The authors of these reprehensible, unconstitutional acts, says CONACOM, act objectively to prepare a psychological, political atmosphere favorable to foreign intervention in Haiti.

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Nicaragua

Draft of Proposed Military Law

94CA0126A Managua BARRICADA in Spanish 13 Jun 94 pp 1-20

[Excerpts] Republic of Nicaragua, Central America

Government of Nicaragua

Proposed Draft of the "Code on Military Organization, Jurisdiction, and Social Insurance"

Presidency of the Republic

Directorate of Information Media

Managua, 11 June 1994 [passage omitted]

Draft Code

"Code of Military Organization, Jurisdiction, and Social Insurance"

First Title

Military Organization

Chapter I

General Provisions

Nature and Functions of the Armed Forces

Article 1. The Armed Forces of Nicaragua, hereafter in this Code to be called simply "the Armed Forces," are the only armed military corps legally recognized in Nicaraguan territory. They are indivisible, and national, nonpartisan, and professional in nature. They must maintain respect for and obedience to the Political Constitution of the Republic.

The members of the Armed Forces on active duty may not hold leadership positions in any political party, nor public offices of a distinctly civil nature.

The Armed Forces shall use the name determined by Law.

Article 2. The Armed Forces are a permanent Institution of the Nicaraguan State, and discharge the following functions:

1. Preparing, organizing, and directing the armed defense of the Homeland; and defending the territorial integrity, independence, and sovereignty of the Nation.

2. Collaborating in the maintenance of the internal peace and security of the Republic, the institutional stability of the Nation, and the protection of human rights.

3. In cooperation with the Ministries and State Entities, carrying out activities aimed at fulfilling the goals of National Defense, as determined by the President of the Republic.

4. Organizing the special forces, resources, and assets to be used in case of war or national emergency.

5. Acting in the battle against the international drug traffic, and collaborating in the national territory against illegal consumption and distribution of drugs and narcotics, as provided in the laws.

6. In cases of disasters, catastrophes, or other similar situations, taking civil defense action to protect and assist the population and its goods, and cooperating in the maintenance of order and in the reconstruction work.

7. Participating in the execution of projects contributing to the country's development, and cooperating in the plans for health, education, and other projects associated with social service. Cooperating in the conservation and renewal of natural resources, the improvement of the environment and the ecological balance, and other strategic plans: all without detriment to their own inherent, ordinary functions.

8. Seeking the social and economic improvement of their members in service and when they retire, as well as that of their family members, through the corresponding plans and programs.

9. Any others conferred on them by the laws and regulations.

Article 3. In discharging their functions and meeting their objectives, the Armed Forces may:

1. Acquire, construct, maintain, and repair buildings, fortifications, airfields, naval facilities, and other installations.

2. Acquire, produce, conserve, and improve weaponry, equipment, ammunition, livestock, clothing, and other implements of war.

3. Manage production establishments or units based exclusively on their own inherent activities or objectives, and to meet their needs.

4. Prepare their budget of receipts and disbursements, and propose it to the President of the Republic through the pertinent channels.

5. In discharging their functions, the Armed Forces may acquire rights and contract obligations; consequently, they may execute and engage in acts and contracts that are necessary and conducive to the attainment of their goals and the exercise of their functions and authority.

Article 4. The various types of Armed Forces shall be organized, trained, and equipped to carry out the operations required for the discharge of their functions stipulated by law.

Article 5. The Armed Forces shall be governed by the Political Constitution of the Republic, this Code, its Regulations, other laws, and the Internal Military Regulations.

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Chapter II

Organization of Commands

First Section

Command Levels

Article 6. The Armed Forces are a chain-of-authority structure, including the following command levels:

a) Supreme Command; b) High Command; c) Superior Command; and, d) Units Command.

Second Section

Supreme Command

Article 7. The Armed Forces shall be subordinate to the civil authority, to be exercised by the President of the Republic in his or her capacity as Supreme Chief of the Defense and Security Forces of the Nation, which is incumbent on him or her constitutionally. In this capacity, the President of the Republic shall have the following powers and obligations with respect to the Armed Forces:

1. To make use of the Armed Forces in accordance with the Political Constitution and the Law.

2. To authorize the departure of Armed Forces troops abroad, to carry out peace missions in accordance with the Political Constitution and the International Treaties and Conventions on the subject.

3. To order the Armed Forces to permit the transit of troops of another country through the national territory, in accordance with the Political Constitution of the Republic.

4. To order the initiation of military operations on the part of the Armed Forces in defense of the country, or against groups or organizations of armed irregulars in the national territory.

5. To order intervention by the Armed Forces in cases of uprisings, riots, disturbances, or disruptions of public order exceeding the capacity of the National Police forces to suppress.

6. To name the Commander in Chief of the Armed Forces at the proposal of the Military Council.

7. To remove the Commander in Chief of the Armed Forces, only in one of the following instances:

a) For insubordination;

b) For disobedience of orders issued by the President of the Republic in the exercise of his or her powers;

c) For having been convicted, by a firm decision, of the commission of a crime deserving a penalty exceeding the correctional one; or,

d) For physical or mental disability declared in accordance with the law.

8. To approve and confer the ranks of General Officers as stipulated in the law, and at the proposal of the Military Council.

9. To order the mobilization, through the Commander in Chief of the Armed Forces, of the components cited in ordinal number 4 of Article 2, in the event that a National Emergency is declared.

10. To name the Officers who are to hold positions of Military Attaches, and those who are to represent Nicaragua in the International Military Organizations, at the proposal of the Commander in Chief of the Armed Forces.

11. To award members of the military who merit them appropriate Decorations and Orders of the Nation, or to propose such awards to the pertinent authorities.

12. To administer the oath of allegiance to the Political Constitution and the laws of the Republic to members of the High Command and the Military Council who serve as such ex officio.

13. To ensure the conditions, resources, and mechanisms enabling the Armed Forces to discharge its mission of armed defense of the Homeland, and of the territorial integrity, independence, and sovereignty of the Nation; as well as to maintain internal peace and security, and to discharge the other missions assigned to them by the Political Constitution, this Code, and other laws.

14. To approve the Budget of Receipts and Disbursements proposed by the Armed Forces, for its subsequent inclusion in the Draft General Budget of the Republic, to be sent to the National Assembly; and also to inspect and control the Armed Forces' finances according to the laws of the Republic.

Third Section

High Command

Article 8. The Armed Forces High Command is assigned to the General Headquarters, comprised of the Commander in Chief of the Armed Forces, the Chief of the General Staff, and the Inspector General. The Armed Forces High Command shall be exercised by the General Headquarters, through the Commander in Chief of the Armed Forces, to whom all the Armed Forces are subordinate.

The General Headquarters shall have the following as organs of direct subordination and support:

a) Inspector General; b) General Secretariat; c) Directorate of Public and Foreign Relations; d) Office of the Judge Advocate General; e) Legal Department.

Article 9. The Commander in Chief of the Armed Forces shall be named by the President of the Republic, at the proposal of the Military Council, for a term of five years, to be counted from the date of taking office. The

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proposal of the Military Council must be sent to the President of the Republic at least one month before the expiration of the term.

The Commander in Chief of the Armed Forces shall take office two months after his appointment, and shall continue to exercise it until his successor takes office.

In the event of temporary absence or default of the Commander in Chief of the Armed Forces, his functions shall be discharged by the Chief of the General Staff.

When the default is permanent, the position shall be assumed ad interim by the Chief of the General Staff, until the new Commander in Chief of the Armed Forces is named. In this case, the new Commander in Chief may take office immediately, as the President of the Republic decides.

Article 10. Obligations and powers of the Commander in Chief of the Armed Forces are:

1. In the Armed Forces, to maintain respect and obedience for, and to comply and ensure compliance with, the Political Constitution, the Military Code, other laws and their regulations, the Internal Military Regulations, and Military Ordinances.

2. To comply and ensure compliance with the orders and directives issued by the President of the Republic in the exercise of the powers incumbent on him or her as Supreme Chief of the Defense and Security Forces.

3. To exercise, within the bounds of his duties and obligations, the legal representation of the Armed Forces, by himself or by delegation.

4. To approve the plans for organic structuring, and strategic and budgetary activities, for the development of the Armed Forces.

5. To issue and amend the Internal Military Regulations, in consultation with the Military Council; to dictate the other Regulations, Manuals, Orders, Directives, Instructions, Ordinances, etc., that will ensure implementation of this Code and the Internal Military Regulations, and the appropriate functioning of the Armed Forces.

6. To submit the national defense plans to the High Command in the event of war, and to coordinate their execution. To direct the general development of military operations, creating and defining the necessary theaters of operation, and appointing their respective Chiefs.

7. To establish the military division of the national territory; to ensure the organization, training, qualification, and mobilization of the Armed Forces; to administer the resources and means for the development of the Armed Forces and the implementation of the defense plans; and to represent the Armed Forces in the necessary interinstitutional cooperation with State agencies.

8. To name the Chiefs, Officers, Non-Commissioned Officers, and Troops, and to designate the work areas for each; to confer ranks ranging from Colonel to Private, and to approve Promotions; to award Military Decorations, and to propose to the pertinent Authorities the members of the military who deserve to receive decorations and Orders of the Nation; all in accordance with the pertinent Laws and Regulations, and without precluding the powers conferred on the President of the Republic as Supreme Chief of the Defense and Security Forces in ordinal numbers 6 and 11 of Article 7 of this Code.

9. To propose to the President of the Republic the appointment of the Officers who are to hold positions as Military Attaches, and those who will represent Nicaragua in the International Military Organizations.

10. To preside over the Military Council and approve the inclusion of special members in it, according to the interests of the Armed Forces.

11. Any others assigned to him by the President of the Republic as Supreme Chief of the Defense and Security Forces, and those indicated for him by the laws.

B. Superior Command

Article 11. The Armed Forces Superior Command, in military affairs, is assigned to the General Staff, comprised of the Chief of the General Staff and the Directorate Chiefs.

The General Staff is the technical, operative, administrative, and service organ, a direct collaborator on which the High Command relies for the planning, directing, and controlling of the organization, training, and technical-materiel, operational, and developmental support required by the Armed Forces.

General Staff Directorates are those of: Personnel and Cadres, Military Intelligence, Operations and Plans, Logistics, and Finances.

Article 12. Powers of the General Staff are:

1. To devise the long, medium, and short-term defense plans of the Nation.

2. To devise the multilateral support plans required for the institutional development of the Armed Forces and the implementation of the national defense plans.

3. To prepare the military information plans.

4. To prepare the combat readiness, operational, and special plans on the different levels, to be implemented by the branches of the Armed Forces.

5. To devise the plans for training, upgrading, and advancement of military personnel in the various ranks and grades.

6. To study all the subjects required, and to have the pertinent measures available for solving problems and dealing with situations whenever necessary.

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7. To evaluate and check the implementation of the plans, programs, activities, and tasks assigned to the forces and leadership organs of the Armed Forces.

8. Any other powers assigned to it by the Armed Forces High Command.

C. Units Command

Article 13. The Command of Units is assigned to the Chiefs of the Air Force and Naval Force, the Chiefs of Large Units Subordinate to the High Command, the Chiefs of Common Organs of the Armed Forces, and the Chiefs of other Units.

Fourth Section

Other Organs

A. Military Council

Article 14. The Military Council is the highest consultative organ of the High Command for matters of Armed Forces doctrine and strategy, matters relating to the development of the Military Institution, and aspects relating to the defense plans deemed by the High Command as important for decision-making.

In addition to those conferred on it by this Code and the Internal Military Regulations, the Military Council shall be empowered to propose to the President of the Republic:

a) The appointment of the Officer who is to occupy the post of Commander in Chief of the Armed Forces; and,

b) The conferring of the Military Ranks of Armed Forces General, Major General, and Brigadier General to the Officers who merit them.

Article 15. The Military Council shall consist of the members comprising the High Command, and the:

a) Chiefs of the General Staff Directorates;

b) Chiefs of the General Headquarters Support Organs with equivalent rank in the chain of authority;

c) Chiefs of the Air Force and Naval Force;

d) Chiefs of Large Units Directly Subordinate to the High Command; and,

e) Senior Officers deemed necessary by the High Command to participate permanently or by invitation.

The Military Council shall be presided over by the Commander in Chief of the Armed Forces and, in his absence, by the Chief of the General Staff. The Council Secretary shall be the Chief of the General Staff.

B. Inspector General's Office

Article 16. The Inspector General's Office is an Organ of the General Headquarters, directly subordinate to the Commander in Chief of the Armed Forces, from whom it shall receive missions, directives, and orders, and to whom it shall report their implementation. It is assigned to supervise, evaluate, and control the implementation of the Principal Activities Plans, Regulations, Manuals, Ordinances, and Governing Documents of the Armed Forces. It shall be managed by the Inspector General named by the Commander in Chief of the Armed Forces.

Judge Advocate General's Office

Article 17. The Administration of Military Justice is a function of the Armed Forces' Judge Advocate General's Office, in accordance with the Political Constitution of the Republic and the laws.

Chapter III

Structure and Composition of the Armed Forces

First Section

Structure

Article 18. The Armed Forces and their various Types of Forces consist of:

a) The Forces comprised of Officers, Non-Commissioned Officers, Troops, and Auxiliary Personnel;

b) The Resources, comprised of weaponry and ammunition of all types; engineering, transportation, and communications equipment, and the appropriate technical resources for carrying out military missions;

c) The Goods, consisting of the equipment, materials, livestock, and other real and personal property necessary for their functioning, which may be acquired through manufacture or construction, purchase, donation, barter, seizure, and/or confiscation according to law, and in any other manner specified in the laws; and,

d) The special forces, resources, and goods to be used in case of war or national emergency, to complement the Armed Forces' own forces, resources, and goods.

Second Section

Types of Forces

Article 19. The Armed Forces consist of the following types of specific forces:

a) Ground Force; b) Air Force; c) Naval Force.

A. Ground Force

Article 20. The Ground Force is the Armed Forces' principal instrument for carrying out missions in defense of sovereignty and territorial integrity in peacetime and wartime, acting with the cooperation of the Air Force, Naval Force, and Common Organs.

The Ground Force shall be comprised of the general troops, to be classified by the categories of troops, arms,

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and missions, and shall be organized in small and large units, as stipulated in the Armed Forces' Internal Military Regulations.

B. Air Force

Article 21. The Air Force consists of Aviation Troops, Aero-Technical Support Units, and Radio Engineering Units. It carries out missions in support of the Ground Force and Naval Force, and independent missions directed by the Armed Forces High Command. Also a part of the Air Force are the ground force units carrying out anti-aircraft defense missions, and missions for security and protection of units and installations.

Each of the Air Force components shall be classified by types of arms and resources, and they shall be organized in units, as stipulated in the Armed Forces' Internal Military Regulations.

C. Naval Force

Article 22. The Naval Force consists of Naval Force Troops, Naval Technical Support units, and Radio Engineering Units. It carries out missions in support of the Ground Force, and independent missions directed by the Armed Forces High Command. Also a part of the Naval Force are the ground force units carrying out missions for security and protection of units and installations.

Each of the Naval Force components shall be classified by types of arms and resources, and they shall be organized in units, as stipulated in the Armed Forces' Internal Military Regulations.

Third Section

Common Organs

Article 23. Also comprising the Armed Forces are the following Common Organs present in all the Forces: Logistical Units, Military Medical Corps, Military Schools and Academies, Directorate of Information for Defense, Directorate of Military Counterintelligence, Guard of Honor, and Other Units of the High Command.

A. Logistical Units

Article 24. The Logistical Units are assigned to plan, assign, manage, and control the logistical resources required by the Armed Forces. They shall be classified by types of mission and resources, and shall be organized or set up in units, as stipulated in the Armed Forces Internal Military Regulations.

B. Military Medical Corps

Article 25. The Military Medical Corps is designated for the medical support of the Troops, combat and training missions, and those of any type carried out by the military units, and for the health care of members of the Armed Forces. The Military Medical Corps shall be organized in units and small units, according to the Armed Forces' structure.

C. Schools and Academies

Article 26. The Military Schools and academies are designated for the preparation, training, and academic and professional advancement of members of the Armed Forces. Their organization and structure shall be based on the requirements of their mission.

D. Directorate of Information for Defense

Article 27. The Directorate of Information for Defense is assigned to procure, process, and analyze information on activities threatening the Constitutional Order, internal security, and the stability of the State Institutions; and it is subordinate to the President of the Republic in his or her capacity as Supreme Chief of the Defense and Security Forces.

E. Directorate of Military Counterintelligence

Article 28. The Directorate of Military Counterintelligence is a specialized military agency designated to protect the institution against activities that might jeopardize the internal stability of the Armed Forces; and to prevent and counter criminal activities and those of any kind that might damage the prestige of the Institution and its members. It is also assigned to ensure the physical protection of the Commands, the military installations, and the goods and resources of the Armed Forces.

F. Guard of Honor

Article 29. There shall be a Military Unit in charge of Military Protocol at official ceremonies and those paying the appropriate honors to the President of the Republic. It shall be designated a Guard of Honor, and shall consist of Officers and Troops from the Ground Force.

The Military Music Corps shall exist as part of the Guard of Honor.

G. Civil Defense Staff

Article 30. The Civil Defense Staff is designated to ensure the effective participation of the different Armed Forces Units, and the cooperation with State Institutions and the Population in general, in the protection plans, in cases of natural disasters, catastrophes, or other similar situations.

H. Other Units

Article 31. The Armed Forces High Command may create and designate other common service Units that it deems necessary or feasible for use by members of the Armed Forces and their relatives.

Chapter IV

Internal Organization and Functioning

First Section

Internal Military Regulations

Article 32. The Commander in Chief of the Armed Forces, in consultation with the Military Council, shall

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issue the Internal Military Regulations of the Armed Forces, and may amend them. The Internal Military Regulations and their amendments or additions shall be published in LA GACETA, the Official Journal.

The Internal Military Regulations may be issued as a single unit, at one time, or in parts, on different occasions. Their provisions shall be for mandatory implementation by the military.

Article 33. In the Internal Military Regulations, the principle of the chain of authority shall be maintained, and they shall stipulate the rules relating to:

1. The equivalencies of the Armed Forces units, and their combat insignia and flags;

2. The military personnel, their classification, organization, and mobilization, according to their status in the Armed Forces, whether on duty, in readiness, or in reserve;

3. The military categories, superior, intermediate, and basic; and according to the types of Forces;

4. The military ranks as an expression of the military chain of authority, the bases for granting them, the authority granting or conferring them, their nature, rights, the chain of authority categories of the ranks, and the ranks of officers, noncommissioned officers, and corporals and privates;

5. The military posts and the rules for granting them, as well as the relations between posts and ranks in the different types of Forces;

6. The evaluation of the service performance, and that for in-grade promotions, with their types and requirements;

7. The periods for remaining in grade during peacetime and wartime;

8. The military instruction system, its different levels, and the relationship between the training and the assignment to posts;

9. Military incentives and bonuses, their types, and the granting thereof;

10. Pay and allowances of the military; their pensions and those of their family members, apart from the benefits granted by the Military Social Insurance Institute discussed in the Third Title of this Code;

11. Retirement of the military; and,

12. Everything attributed to the Internal Military Regulations in other articles of this Code or in other laws.

Second Section

Regulations, Directives, and Others

Article 34. To ensure the appropriate functioning of the Armed Forces, the Commander in Chief of the Armed Forces may issue and dictate general regulations, particular regulations, and others.

General Regulations

The General Regulations constitute the framework defining the obligations and rights of the members with respect to the Institution. In particular, they pertain to the following:

I. Regarding the Institution:

a) The Armed Forces' exclusive dedication to the service of the Homeland; their raison d'etre; their readiness for confronting war situations;

b) Their conduct in peacetime and wartime, respecting individuals, human rights, and international law;

c) Discipline, the chain of authority, and unity as indispensable characteristics;

d) Respect for the Flag and the National Anthem, with the stipulation that the Flag of Nicaragua shall be the only one flown at military installations together with the flag of the respective unit, and the oath of allegience to it as an essential duty of the member of the military; and,

e) The habits of discipline and self-denial that must be practiced by the military.

II. Regarding Relations Among the Military

a) The scope and limits of obedience to orders; and,

b) The respect and loyalty of the member of the military toward his chiefs, and in the treatment of his subordinates.

III. Regarding the Functions of the Member of the Military

a) Exercise of commands; b) Support of commands; c) Combat; d) Instruction, training, and education; and, e) Work and administration.

IV. Regarding the Duties and Rights of the Member of the Military

a) The civil and political duties and rights of the member of the military;

b) The duties and rights of a military nature of the member of the military;

c) Social rights; and

d) Rights of appeal and petition given to the military.

V. Regarding the Military Career

a) On requirements to be met by members of the military in order to acquire that status;

b) On the selection of candidates and their promotions;

c) On the status of active duty, reserve, or retired;

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d) Periodic leave;

e) The bearing of arms; and

f) On remuneration and incompatibilities.

The General Regulations shall be issued by the Commander in Chief of the Armed Forces, following consultation with the Military Council.

Particular Regulations

The Particular Regulations shall be those pertaining to a certain type of force in particular.

Others

The Commander in Chief of the Armed Forces also may issue Manuals, Orders, Directives, or Instructions that he judges or deems necessary; as well as Regulations for the satisfactory functioning and operation of certain Armed Forces Organs, Units, or assignments.

Third Section

Temporary Pay and Allowances and Pensions

Article 35. The provisional remuneration and pensions of members of the military shall be governed by the following rules:

I. Members of the military are entitled to receive a fair and equitable remuneration for the service that they render, which shall be known as pay and allowances. The pay and allowances shall be ordinary and additional.

II. Ordinary pay and allowances consist of the monetary remuneration granted in keeping with the military rank and post held, while remuneration represents the chain of authority status, training, responsibility, and technical-professional complexity inherent therein.

Additional pay and allowances consist of extra pay, rations, gratuities, allotments, subsidies, premiums, and bonuses granted either permanently or temporarily to members of the military by reason of the conditions associated with their employment.

III. The member of the military using temporary leave for private matters shall be entitled to his entire ordinary pay and allowances up to a period of six months. When this interval elapses, he shall transfer to readiness status with the corresponding pension.

The member of the military shall be entitled to his entire pay and allowances so long as he remains hospitalized or in his private residence recuperating from wounds received while on duty.

The member of the military subject to trial shall benefit from his ordinary pay and allowances during the time of his detention and until there is a final firm decision, unless he is a fugitive or deserter.

IV. The member of the military taken prisoner or missing in action shall be assigned 75 percent of the pay and allowances to which he is entitled, to be delivered to his spouse or male or female companion in a stable de facto union, and, if there be none, to his children or descendants. The remaining 25 percent shall be kept on deposit, and shall be delivered to him upon his release or appearance, or to his heirs if his death is confirmed.

Second Title

Military Jurisdiction

Chapter I

General Provisions

Article 36. The military jurisdiction is an integral part of the State's Judicial Branch, and administers justice in accordance with the principles of the Constitution and the laws.

Military justice shall be administered by the Judge Advocate General's Office of the Armed Forces, through the Military Judicial Organs established by law. It is incumbent exclusively on said Organs to judge and to execute what has been judged in matters within its jurisdiction.

Article 37. The military jurisdiction extends to penal matters, disciplinary matters, and other matters within the military scope that are determined by the Code and the respective laws; as well as those established by the State Declaration of Emergency, when so required by the nation's security.

Article 38. Every Military Judicial Organ, within the bounds of its authority, shall be the ordinary Judge or Court predetermined by law to hear the crimes or misdemeanors and other matters subject to its jurisdiction; and no one subject to the military jurisdiction may be removed from its respective authority. Courts of exception are prohibited.

Article 39. All members of the military, regardless of their rank, and all Authorities, are obliged to respect the independence of the Organs exercising the Military Jurisdiction. The higher Organs of Military Jurisdiction per se may only correct the actions of the lower Organs through a decision on the appeals filed, and may may not issue them instructions in this regard.

Article 40. In the exercise of their functions, the members of the Military Judicial Organs shall be independent and, in this respect, shall be exempt from loyalty and obedience to superiors. The method for their appointment or designation shall be determined by law. During their legal term in office, they shall be removed only for justified cause.

Article 41. The verdicts and other decisions of the Military Judicial Organs, once firm, shall be obeyed, and require unavoidable compliance by the State authorities, organizations, and both natural and juristic persons affected; without precluding the right to pardon,

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amnesty, commutation, or reduction in the penalties imposed, according to the Constitution.

The verdicts issued by the Military Judicial Organs in matters within their authority, in order to benefit from the authority of res judicata, must meet the requirements demanded for verdicts issued by courts of restrictive justice in the ordinary jurisdiction.

The verdicts issued by the Military Judicial Organs shall benefit from the authority of res judicata in civil matters, in the same manner as the verdicts issued by courts of restrictive justice in the ordinary jurisdiction.

Article 42. In the case of all verdicts or decisions issued by the Military Judicial Organs, whether they be acquitting or convicting, those injured are entitled to appeal to another Organ on a higher level of the same jurisdiction, for their rehearing.

In the case of verdicts or decisions issued in the first instance by a Military Judicial Organ having no higher level of authority, the appeal shall be filed in the Supreme Court of Justice.

It shall be incumbent on the Supreme Court of Justice to hear the appeals for cassation established in the respective law.

Chapter II

Limits and Questions of Competence

First Section

Scope of Competence

Article 43. The Military Judicial Organs shall be competent to hear military crimes and misdemeanors committed by members of the Armed Forces according to the classification stipulated in the Military Penal Code.

When the crime or misdemeanor committed by members of the Armed Forces is common, it shall be heard by the Courts in the ordinary jurisdiction. The motion for penal action, official or by separate petition, shall be incumbent on the Prosecutor General's Office. In the case of a separate petition, the Prosecutor General's Office must pronounce judgment within a period not exceeding five days.

The negative decision of the Prosecutor General's Office may be appealed within three days in the pertinent court of appeals, which shall decide within a period not to exceed eight days.

Article 44. The Jurisdiction hearing a proceeding shall also hear all its incidences.

Second Section

Questions of Competence

Article 45. Conflicts of competence between the Courts in the Ordinary Jurisdiction and the Military Judicial Organs shall be handled in accordance with the Code of Civil Procedure.

Article 46. Whenever the existence of a crime, subject to a hearing by the Courts in the Ordinary Jurisdiction, must serve as precise grounds for a verdict issued by a Military Judicial Organ, or has an obvious influence on it, this latter court shall suspend pronouncement of the verdict until the end of the process in the ordinary jurisdiction. The suspension shall be ordered in any stage of the trial.

If, in the same trial conducted by the Military Jurisdiction, other issues are aired that could be resolved without waiting for the judgment from the Court in the Ordinary Jurisdiction, the trial pertaining to them shall continue without interruption.

Article 47. Questions of competence between Military Judicial Organs shall be regulated by the Code of Military Judicial Procedure.

Third Title

Military Social Insurance

Chapter I

General Provisions

Article 48. To be established as a special system is the Military Social Insurance system, which shall include the dual features of social security and assistance, and social and economic improvement of the members of the Armed Forces and their family members.

Civilians working in the different Armed Forces organs and services shall be subject to the same general system as other State workers.

Article 49. The execution and administration of Military Social Insurance shall be the responsibility of the Military Social Insurance Institute, which shall operate on a nonprofit basis, and which shall hereafter be called "the Institute." It shall have an indefinite duration, its own assets, and full legal capacity for acquiring rights and contracting obligations.

The Institute shall have its domicile or main headquarters in the city of Managua, the site on which it shall have its principal establishment. However, it may establish branches or secondary headquarters, agencies, or offices in any other location, if its own administration so decides.

No public nor private entity may use the designation "Military Social Insurance Institute," nor the initials IPSM, not even adding to that designation or expression one or more words intended to lead to a differentiation thereof.

Article 50. The Military Social Insurance Institute may exercise all the civil rights pertaining to the legitimate interests of its institution.

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Chapter II

Benefits

First Section

Social Assistance and Improvement

Article 51. The Institute shall be in charge of the administration of the Social Assistance and Improvement of Armed Forces members and their family members, through the establishment and operation of:

1. Complementary savings and pension plans;

2. Programs for housing mortgage loans;

3. Programs for personal loans; and

4. Any other social assistance and improvement plan authorized by the administration.

Article 52. For purposes of this Law, a "Pension for Retirement" is understood to be the benefit to which all Officers who are members of the Armed Forces are entitled when they transfer to retirement status as determined by the pertinent Regulations, if they have also attested to a minimum of 18 years of active, effective service in the Armed Forces, and meet the requirements specified in the aforementioned Regulations. Nevertheless, on this sole occasion, Officers who, at the Armed Forces' decision, are retired within a period not extending beyond 31 December 1995, also shall be entitled to a retirement pension, provided that they have attested to no fewer than 15 years of active, effective service in the Armed Forces, and meet the stipulated requirements.

The Institute's administration may gradually and progressively include the granting of a retirement pension to other members of the Armed Forces. Within 90 days after this law goes into effect, the Institute shall initiate the benefit of the retirement pension.

Article 53. To begin implementing the provisions of the preceding Article, the Armed Forces shall contribute to the Institute a sum of money sufficient to make it possible, based on technical and actuarial estimates, to cover the contributions that should have been made to the Officer, according to the following Article, from the date of his joining the Armed Forces until this Law goes into effect.

Article 54. For purposes of this Law, the designation affiliate shall be given to members of the Armed Forces included in the Retirement Pension benefit, according to the stipulations in Article 52 of this Code.

A mandatory monthly installment is established, with which contributions must be made to the "retirement pension fund." This installment shall consist of: (A) the contributions made by the affiliates, which shall be deducted directly from their ordinary pay and allowances, and which in no instance shall exceed 10 percent of the latter; (B) the contributions made by the State, which must be included in the Armed Forces' annual budget. The aforementioned installment shall be paid in the following proportion:

- Two thirds (2/3) by the State - One third (1/3) by the affiliate.

Article 55. The Retirement Pension benefit shall be granted as follows:

Thirty-five percent (35%) of the monthly ordinary pay and allowances with 18 years of active, effective service. Fifty percent (50%) of the monthly ordinary pay and allowances with 24 years of active, effective service. Seventy-five percent (75%) of the ordinary pay and allowances with 30 years of active, effective service. For the purpose of determining the monthly ordinary pay and allowances, they shall correspond to the average monthly ordinary pay and allowances for the last three years immediately preceding the year of retirement. In the exceptional case cited in the final part of Article 52 of this Code, the Retirement Pension benefit shall correspond to thirty-five percent (35

) of the monthly ordinary pay and allowances, with no fewer than 15 years of active, effective service. Despite what is stipulated herein, the Institute, through mutual agreement with the affiliate, may establish a different method of fulfilling the obligation for the Retirement Pension benefit, provided that the pertinent time periods and amounts are not exceeded.

Article 56. For purposes of determining an Officer's time in service so as to benefit from the Retirement Pension plan, it shall begin to be counted from the date of his entry into the armed corps, based on the data in the Armed Forces' personnel and cadres directorate. Exceptions to this provision are cases of induction occurring as provided in the second paragraph of Article 52 of this Code, in which case, to determine the time in service, it shall be counted from the date specified in the aforementioned decision dictated by the administration.

Article 57. Those entitled to the retirement pension benefit may stipulate their own beneficiary, who shall receive the pension following the death of the affiliate, provided that the latter was receiving that benefit. This designation must be recorded in writing, reported to the Institute, and included in the individual file that the latter must keep on every affiliate.

Article 58. At the time of retirement, the affiliate must select the method of payment of the pension relating to his beneficiary. So long as he lives, the affiliate may also have the option of changing the beneficiary.

Once the death of the affiliate receiving the retirement pension benefit has occurred, the beneficiary shall be entitled to a pension corresponding to fifty percent (50

) of the actuarial equivalent of the pension received by the affiliate. The method of payment to the beneficiary shall be one of the following:

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- Payment of the corresponding pension for a period equal to ten (10) years, or as long as the beneficiary is living, whichever time period is shorter.

- With this method of payment, the affiliate may name up to two additional beneficiaries who may consecutively replace the principal beneficiary in the event of the former's death.

- Payment of the corresponding pension during the lifetime of the beneficiary; in this case, the beneficiary's life expectancy shall be included in the actuarial equivalent.

Article 59. The actuarial deficit that could result from the retirement pension system referred to in this law shall be included in the Armed Forces' annual budget, being placed at the disposal of the Institute per quarter, in advance.

Article 60. An affiliate's entitlement to the benefit of a retirement pension established by this law is lost:

a) By acts that discredit the military status and hurt the prestige of that status, or of the military institution, based on a judgment of the agencies or commissions authorized for this purpose;

b) By desertion;

c) By insubordination;

d) For having been given a dishonorable discharge;

e) By prescription, which goes into operation three years after the time that the pension was due to be initiated and his beneficiary failed to appear to claim it;

f) If the existence of the beneficiary is not on record;

g) And in any other instance stipulated by law.

Second Section

Social Security

Article 61. The Institute is responsible for the administration of social security for total protection and means of subsistence in cases of disability, total or permanent incapacity, old age, occupational hazards, accidents, and illnesses, including those of the respective beneficiaries, in accordance with the decisions made by the administration.

Article 62. The social security system shall operate through a periodic contribution of installments shared by the State and the Beneficiaries. The individual contribution from the beneficiary for social security shall not exceed three percent (3) of his monthly ordinary pay and allowances.

The affiliates of the Institute may not be subject to any other social security system subordinate to the State, nor shall they be obliged to pay installments or have salary deductions other than those established by the Institute.

Article 63. In any case, the indemnification for death, accident, disability, or total or permanent incapacity caused as a result of the participation of any member of the military on active duty in the Armed Forces, in war or acts of a war, declared or not, military maneuvers or exercises, military operations or campaigns, acts of sabotage or terrorism committed against the military, their units, or means of transportation, irregular or guerrilla war action, insurgent activities, homicide, assassination, or death due to political activities, strikes, lockouts, or civil disturbance, shall be covered by the State in the corresponding amount, as if the deceased had been covered for natural or accidental death, disability, and total or permanent incapacity.

Third Section

Common Provisions

Article 64. The social assistance and improvement and social insurance cited in this Chapter shall be implemented gradually and progressively depending on the Institute's financial potential, and based on the actuarial technical studies that ensure the implementation thereof.

Inclusion in the social insurance system established in this law shall be compulsory for military members of the Armed Forces, insofar as the benefits and services are incorporated according to the stipulations of this article.

The contributions to be made to the affiliates as they become included in the system created by this law shall be deductible for purposes of paying the income tax, and the services and benefits granted shall not be subject to a national, municipal, or special tax.

Fourth Section

Assignees

Article 65. Assignees of the goals, benefits, plans, and programs administered by the Institute shall be the members of the Armed Forces included on the lists of the Directorate of Personnel and Cadres and their beneficiaries registered as such. In any case, the assignees must meet the necessary requirements established for this purpose.

Article 66. If the nature of the benefit makes it possible, those benefited or the affiliates may designate beneficiaries in the manner specified by law or by the administration. The beneficiary must be just one natural person, and the pension, indemnification, or benefit to which he or she is entitled shall be indivisible. The beneficiary may be replaced by the one benefited, even if there has been acceptance meanwhile by the former.

Article 67. The benefits granted by this Code are irrevocable, any transfer or assignment of such rights is null, and they may be attached only for purposes of mandatory payment of alimony according to law. Despite what is provided herein, the aforementioned benefits may be

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given as security to meet obligations contracted with the Institute itself which, in its capacity as a "creditor," shall be the only one that may take action against those involved.

Chapter III

Assets

Article 68. The assets of the Institute shall consist of:

a) The contributions made by the Armed Forces;

b) The contributions made to it by the State;

c) The mandatory contributions, installments, and payments made in accordance with the pertinent law;

d) The donations, installments, and voluntary contributions for plans operated by the Institute, as well as inheritances and legacies given to, and accepted by it; and,

e) The revenues and income generated by its own assets.

The assets of the Institute and its revenues shall be exempt from any national and municipal tax.

Article 69. The fiscal year of the Institute shall be one year, beginning on the first of January and ending on 31 December of each year. The administration shall dictate for the first fiscal year the measures that it deems necessary for the management of the accounts. Every year, the Institute shall be obliged to obtain from an actuary certification that the existing funds are sufficient to meet its obligations for coverage.

Article 70. The Institute shall establish the necessary reserve funds to meet its obligations. The contingency reserves established shall ensure fulfillment of obligations caused by a high degree of loss, or those occurring as a result of unforeseeable situations. In no instance shall they be allocated or used to increase benefits or improve services. These reserves shall be established with an equitable contribution from the affiliate and the State, through the Armed Forces' annual budget.

Article 71. Without precluding the powers conferred on the Office of the Comptroller General of the Republic by law, the Institute shall have an auditor's office, to be managed by an Authorized Public Accountant, named by the administration, to which he shall be subordinate, and for which he shall be required to exercise the functions of a control organ.

Article 72. Besides what is stipulated in the preceding article, the Institute shall contract an outside auditing firm of recognized solvency and competence, to prepare annual reports on the operations carried out by the Institute, and to submit them to the administration, together with the profit and loss statements, and its comments and observations.

Chapter IV

Creation of the Institute

Establishment and Bylaws

Article 73. The President of the Republic shall create the Military Social Insurance Institute, and shall approve its Bylaws based on the Resolution for its establishment and bylaws prepared by the Armed Forces' Military Council.

The Military Social Security Institute shall acquire its legal status as an entity upon the publication of the Presidential Decree creating and approving the bylaws in LA GACETA, the Official Journal.

Article 74. The Bylaws must contain regulations concerning the administration and management of the Institute, especially with respect to:

1. The organ that shall be responsible for the administration and management of the Institute's activities, its composition, operation, authority, and powers;

2. The officials of the Institute and their powers, as well as its representative;

3. The internal administrative organization and authority of the Departments, Sections, Committees, and Commissions that are deemed appropriate;

4. The executive officials and their powers; and

5. Any other matter relating to the administration of the Institute.

Article 75. The Institute's legal status as an entity shall be lost only in the event of its dissolution and liquidation.

If the Institute is dissolved, it shall retain its legal status as an entity until the liquidation has been completed.

Article 76. Any amendments or additions to the Bylaws shall be approved by the President of the Republic, with the same procedure stipulated in Article 73 of this Code.

Chapter V

Dissolution and Liquidation

Article 77. The Institute may be dissolved and liquidated for the following reasons:

a) Inability to fulfill its purpose, as determined by the administration; and

b) Failure on the part of the State to make the contributions to which it is committed, causing such difficulty in the fulfillment of the Institute's purpose that it cannot continue operating.

Article 78. For the same reasons stipulated in the preceding Article, the Institute may liquidate in advance only the retirement pension plan established in Article 52 of this Code.

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Article 79. To substantiate the liquidation, action shall be taken in accordance with the provisions of this chapter and the common laws, insofar as they do not contradict the former.

Article 80. Once the pertinent dissolution has been decided by the Institute's administration, a liquidating board shall be formed, consisting of all the members of the administration's superior organ. The liquidating board shall be assisted in its functions by the Institute's internal auditor, and by an outside auditing firm of recognized solvency and professional competence.

Article 81. The liquidating board shall undertake the liquidation of the Institute or the pension plan, as the case may be, conducting the necessary operations to sell off the assets and convert them into marketable securities or cash, so as to pay the creditors, and to collect on debts in its favor.

The liquidation and express distribution must be made and completed within the period stipulated by the administration.

The following distribution shall be made of the proceeds from the sell-off of the assets, when the liquidation is related to the retirement pension plan, with priority over any other creditor:

a) Payment to reimburse the contributions made by the affiliates, or the pertinent proportion thereof.

b) Total or proportionate payment of retirement pensions if there is a remainder, once the preceding liquidation has been made.

c) Payment to other creditors according to law, if there is a remainder.

Article 82. The liquidating board shall, within a period of seven days after its formation, order publication in LA GACETA, the Official Journal, for three consecutive days, and for the same period in two newspapers with national circulation, of the fact that the liquidation of the Institute or of the pension fund, as the case may be, is being undertaken, publicly notifying its creditors of this fact.

Article 83. The remainder of the goods and rights of the Institute or the pension fund, as the case may be, once the debts and liabilities have been paid, shall be allocated to comprise the assets of a juristic person, the principal purpose of which shall be: either to promote among the members of the Armed Forces and their family members educational training activities on any level, medical and hospital services, and cultural activities, or to operate recreational or entertainment activities, as determined by the administration.

The aforementioned remainder, and any asset or property, may be delivered in the custody of, or in trust, to a bank, so that it may administer said goods and rights, provided that no real assignment of them is made.

Article 84. When the liquidation is completed, the liquidating board shall publish a general balance sheet and a profit and loss statement, which must be certified by a firm of authorized public accountants of recognized solvency and professional competence. This firm may not be the same one that intervened during the liquidation period, according to the final part of Article 80 of this Code.

The final record of the liquidation accounts shall be published in LA GACETA, the Official Journal, for three consecutive days, and for the same period in two newspapers with national circulation.

The liquidating board shall deliver to the firm of authorized public accountants that it has certified the final general balance sheet and final profit and loss statement, with all the documents, books, and other supporting documents for the liquidation, to be retained by the latter for a period no shorter than three years.

Article 85. During the liquidation period, the Institute shall remain subject to this law in all pertinent respects.

Fourth Title

Temporary, Additional, and Final Provisions

First Section

Regarding the First Title

Article 86. All the appointments and ranks granted in the Armed Forces at the time that this Law goes into effect are recognized.

Article 87. The new Commander in Chief of the Armed Forces shall be named by the President of the Republic on 21 December 1994, according to the stipulations in number 6 of Article 7 of this Law, and shall take office on 21 February 1995.

Second Section

Regarding the Second Title

Article 88. Until a new Code or Laws on military crimes and misdemeanors, Military Judicial Procedure, and the Armed Forces Disciplinary System are issued, the Military Judicial Organs shall apply the Penal Code in effect, the Law on Organization of the Military Auditing Office and the Provisional Military Penal Procedure in effect, and the Armed Forces Disciplinary Regulations in effect. Nevertheless, in no instance may the Military Courts in effect bring persons other than the military into their jurisdiction.

Article 89. Within a period of one year after this Code goes into effect, the National Assembly shall hear a draft Code or Laws on military crimes and misdemeanors, military judicial procedure, and the organization of the military courts.

The new Military Penal Code shall have as its content the material penal law relating to the principles of legality, culpability, penalty, equality, and retroactivity of the most favorable penal law.

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The Code must classify and regulate inherently military crimes, such as: military treason, military espionage, military rebellion, and disclosure of military secrets; crimes against defense facilities and resources, against service duties, against the laws and practices of war, and against the administration of military justice; and others.

Third Section

Regarding the Third Title

Article 90. All the goods, rights, and corporate equities acquired and belonging to the Armed Forces on the date that Title III of this Code goes into effect shall become part of the assets of the Military Social Insurance Institute, with the exception of the goods consisting of real and personal property intended for the administration, fortifications, armament, airfields, naval facilities, and other installations of the same type, and the production establishments and units defined in number 3 of Article 3 of this Code.

The transfer of said goods, rights, and corporate equities shall be exempt from any national or municipal tax; and, in the case of real properties, the application submitted by the Armed Forces' legal representative to the respective Public Registry for their registration in the name of the Institute shall suffice.

Provision for Repeal

Article 91. The following are repealed: Decree-Law 2-91, of 8 January 1991, published in LA GACETA, the Official Journal, on 8 February 1991, "Amendment to the Law on Military Organization of the Sandinista People's Army"; Decree-Law 1-91, of 7 January 1991, published in LA GACETA, the Official Journal, on 8 February 1991, "Amendment to the Law Creating Military Brevet Rank, and Military Posts and Ranks,"; as well as any provisions contradicting the stipulations in this Code.

Decree No. 521, of 7 April 1990, published in LA GACETA, the Official Journal, on 23 April 1990, "Law Creating the Sandinista People's Army Social Insurance Institute," shall be repealed as of the date on which the Military Social Insurance Institute cited in the Third Title of this Code acquires its legal status as an entity.

Fifth Section

Final Provision

Article 92. This Code shall go into effect as of its publication in LA GACETA, the Official Journal.

Issued in the Conference Room of the National Assembly, on the day of the month of nineteen hundred ninety-four.

(signed) President of the National Assembly

(signed) Secretary of the National Assembly

Thus far, the text of the "Code on Military Organization, Jurisdiction, and Social Insurance," proposed by the Presidency of the Republic to the National Assembly.

I sign, with respect to both the Explanatory Statements and the Draft of the "Code on Military Organization, Jurisdiction, and Social Insurance," in the city of Managua, on 19 May 1994.

Violeta Barrios de Chamorro, President of the Republic of Nicaragua

Panama

Government Confirms Bomb Blew Up ALAS Plane

PA2707010594 Panama City ACAN in Spanish 2209 GMT 26 Jul 94

[Text] Panama City, 26 Jul (ACAN-EFE)—The Panamanian Government today confirmed a bomb blew up the ALAS airplane in midair last week, killing 21 people, 12 of whom were Jewish entrepreneurs and executives.

The Inter-Institutional Commission ordered by President Guillermo Endara concluded the airplane, registry number HP-1202, was blown to bits by a "high-intensity and low-heat" bomb, the exact composition and type of which have not yet been determined.

"It could be C-4 (plastic explosive), but it is not a military type; instead, it was homemade," said Menalco Solis, executive secretary of the Public Security and National Defense.

The investigation still does not cite a motive or who the perpetrators were. The press has juggled two hypothesis: either narcoterrorists or an Arab fundamentalist group.

The pilot, copilot, and navigator were in perfect health, and the airplane was in perfect condition, had air navigability, said Civil Aeronautics Director Zosimo Guardia.

Israeli agents will join the legal investigation to determine the origin of the attack on the ALAS airplane, an attack which could be connected with the attack on the Argentine-Israeli Mutual Association (AMIA) in Buenos Aires on 18 July, where nearly 100 people were killed.

Together with agents, Ovalia Eli, vice president of the Israeli parliament, will arrive to meet with Panamanian authorities and relatives of the Jewish victims, Israeli diplomatic sources have told ACAN-EFE.

Of all the bodies, the only unclaimed one belongs to a man who appears on the passenger list as Ali Jamal, apparently Lebanese, who is not registered with the Immigration Department.

Among the dead is Jewish-Panamanian businessman Saul Schwartz, whom Italian police link with the "laundering" of drug trafficking money and who had been the victim of a strange kidnapping. A cousin, Aaron, survived a bomb attack on his car.

The airplane was flying from the Colon Free Zone, the hemisphere's most important, on Panama's Caribbean coast, transporting a group of businessmen, when it exploded over Santa Rita Hill, 9 km southeast of Colon.

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Argentina

Army 'Really Annoyed' by Israeli Role in Rescue Efforts

PY2707010394 Buenos Aires LA NACION in Spanish 23 Jul 94 p 11

[Report by Eduardo Barcelona]

[Text] The Armed Forces are really annoyed because an Israeli general heads the rescue effort and cleanup operations at the former AMIA [Argentine-Israeli Mutual Association] building after it was destroyed by an Arab terrorist group criminal attack.

Military officers said the military annoyance is caused by the fact that the Argentine Armed Forces have the technology and capability to direct the operation.

One of the things that irritates them most, for instance, are the pictures of Israeli military officers on the front pages of the newspapers, or on television broadcasts, giving orders to the Federal Police. The issue was discussed yesterday by Defense Minister Oscar Camilion during a special meeting with the four Armed Forces general staff chiefs.

General Mario Diaz, head of the Joint Chiefs of Staff, placed the team of Army military engineers, the military hospital network (medical doctors and nurses), and their transport system at the government's disposal only two hours after the attack.

Camilion was in charge of transmitting the offer to other government officials, but there was no response.

One chief of general staff admitted to LA NACION that the only area in which the Armed Forces are not as good as the Israeli experts is in the area of sensors designed to hear humans breathing under the rubble. The Argentine military have older equipment. The military are also aware that a local organization, the Lanus and Lomas de Zamora Firefighters, have the newest sensor equipment. Nothing would have prevented Lanus from providing that cooperation, the spokesman said.

Yes, they do not have trained dogs such as the ones the Israelis brought with them, or the experience they have accumulated, the military reluctantly recognized.

The Argentine Armed Forces were only able to cooperate in the transport of sophisticated equipment.

The Armed Forces believe that Interior Vice Minister Alberto Iribarne is to blame for the refusal to receive the military cooperation, a decision that was later confirmed by Interior Minister Carlos Ruckauf when he returned from New York.

Obstacles Mentioned

The Defense Law forbids the military from intervening in internal matters, even in emergencies or natural catastrophes. However, 3d Corps Commander General Maximo Groba was named emergency commander during the latest flooding in Formosa Province.

The military chiefs think that "politicians are still prejudiced when the Armed Forces need to be called upon." The Defense Law established a strict separation between external and internal matters, a consequence—it was pointed out during the congressional debate—of the many times the Armed Forces staged coups.

The Armed Forces reasoning today is that a long decade has passed and the military institutions have given enough proof of democratic respect.

Legal Loophole

The military impossibility of action has made them examine the interior security law once more. The military chiefs then found out that before declaring an "emergency zone," which could have been an appropriate definition for the area around the AMIA center, the government had to declare a state of siege. The president could do that, but then Congress would have had to ratify the measure.

This difficult but necessary process could not have been implemented at this time because most legislators are working at the Constituent Assembly in Santa Fe. The military think the process hinders the rational use of the Argentine Armed Forces. Instead, the help of foreign military forces was requested.

The Argentine military yesterday seemed to be interested in a conversation with the government and legislators on these aspects, which they understand prevent them from offering help in disasters.

Israeli Minister Meets Menem, Comments on AMIA Bombing

PY2607234594 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0029 GMT 26 Jul 94

[Text] Buenos Aires, 25 Jul (NA)—Israeli Tourism Minister 'Uzi Bar'am emphasized tonight to President Carlos Menem that relations between his country and Argentina "have never been better," and that the 18 July attack against the AMIA [Argentine-Israeli Mutual Association] "is certainly not going to deteriorate" this bilateral atmosphere.

"When something like this happens the situation becomes muddled, because we want to find the culprits right away," Bar'am said.

The minister made some remarks at Government House after his meeting with Menem. During the meeting he was accompanied by Ovadia Eli [name as received], vice president of the Israeli Chamber of Deputies, and Yitzhaq Aviran, Israeli ambassador to Argentina.

He stated that he had told Menem that both his visit and that of the Israeli rescue team in Argentina "were done as

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volunteers, and are not to be seen as meddling in an investigation that is under the purview of the country."

"The president placed a lot of value on the work of the rescue team, and he reinforced the idea of the good relations that exist with Israel, saying that he would make every possible effort to carry out a thorough investigation" of the attack against the AMIA.

The minister acknowledged that "the atmosphere in the aftermath of what happened is quite difficult," although he immediately made it clear that "this does not mean a difficult atmosphere between the two countries, but rather for the people of the community who continue to live here and feel they have been harmed by this attack."

He commented that today he had met with people who are seeking their missing relatives, and that they had criticized him "because we were concerned only about the Jewish people; what about the non-Jews?"

"I answered that we do not distinguish between Jews and non-Jews," and gave as an example that a minister had departed for Rwanda on 24 July "to help those who are suffering in that country," he stressed.

The minister expressed his hope that "both Argentina and Israel, and the entire world, will make every possible effort to eradicate these terrorists and cut off their hands."

Answering a question, Bar'am then admitted that Israel "will support" the Argentine request for a UN Security Council meeting to denounce the terrorist attack perpetrated by Islamic fundamentalists.

Nevertheless he expressed skepticism over any results from this gesture. "It must be taken into account that up to now no one who has been accused by the United Nations has ever been brought to trial before that organization."

'Repentant' Iranian Provides Information About Bombing

PY2607133494 Buenos Aires CLARIN in Spanish 25 Jul 94 pp 2, 3

[Article by Daniel Santoro]

[Text] Within the framework of a confidential assignment in Caracas, Venezuela, on 24 July, Federal Judge Juan Jose Galeano interrogated a "repentant" Iranian diplomat who reportedly knows about the alleged political and financial support his government might have given to Arab terrorist groups like the "Followers of God" [Ansarallah], which claimed responsibility for the attack on the Argentine-Israeli Mutual Association (AMIA) headquarters on 18 July. The interrogation began and finished on 24 July and, according to reliable sources, Judge Galeano will return to Argentina on 25 July.

According to sources close to the Argentine intelligence services, the judge allegedly is "very optimistic" about the results of his task in Caracas. Indeed, the same sources contend that the "repentant" Iranian diplomat reported in minute detail how the attack on the Israeli Embassy was planned and perpetrated in March 1992 and gave "details" about the bombing of the AMIA headquarters.

Meanwhile, the Argentine Government decided on 24 July to instruct Attorney General Oscar Fappiano to request that Judge Galeano issue an extradition for Subhi Tufayli, the leader of the "Followers of God," who lives in Lebanon, in case his responsibility in the attack is confirmed.

The "repentant" Iranian, who was abducted in Cuba by a group of four Iranian diplomats who tried to send him to Iran from Caracas, might become the "foreign" end of the ball of yarn that will lead to the perpetrators of the dynamite attack that has so far claimed more than 60 victims.

The Venezuelan Government thwarted the attempt to send the "repentant" Iranian and his family back to Iran, expelled four Iranian diplomats, and declared Iranian Ambassador to Venezuela Seyyed Reza Zargarbashi "persona non grata." Therefore, Zargarbashi had to leave his post.

Expectations are based on the fact that Judge Galeano released the Arab citizens who had been delayed in Argentina some hours after the attack for lack of merit. Hence, there are at present no persons delayed or in custody who may be implicated in the bloody attack.

Federal Police and Secretariat for State Intelligence [SIDE] investigators continue searching for the "domestic" end—namely, those who gave logistical support to the terrorist command—among Shi'ite Iranian groups and Argentine neo-Nazi cells.

Still, investigators, both Argentine and from the Mosad (Israeli secret service), as well as from the CIA, are pinning their greatest hopes—at least as of yesterday—on the information that the "repentant" Iranian—this is how governmental sources consulted by CLARIN described him—may give to Judge Galeano, who is in charge of the probe into the 18 July massacre.

Judge Galeano traveled to Caracas on the morning of 23 July confidentially, and in reply to an urgent demand he had made, the government provided him with the T-04 presidential plane.

In order to facilitate things for the judge, Buenos Aires requested the cooperation of Venezuelan President Rafael Caldera's administration and sent Mariano Maciel, the legal affairs director at the Foreign Ministry who is in charge of that portfolio's legal international problems.

The "repentant Iranian," whose surname is Moutamer and who is accompanied by his family, testified before Judge Galeano on his own accord, since he is not held in

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custody but is a refugee under the protection of the UNHCR (United Nations Office of High Commissioner for Refugees). Had he been in jail, Judge Galeano would have had to request permission of Venezuelan justice personnel.

Argentine sources told CLARIN that Moutamer testified only after the U.S. Government—thanks to Argentine endeavors—provided him and his family with guarantees about their personal integrity. This is the reason why the interrogation took place with the utmost secrecy in a "safe" place in Caracas.

The hypothetical information that the "repentant" Iranian might have disclosed about the funding of these terrorist groups might adversely affect Argentina's relations with Iran, since trade between both countries amounts to some $500 million annually.

The Argentine Government has so far been cautious of its relations with Iran, whose government—and above all is orthodox religious sectors—have very close relations with the pro-Iranian Lebanese group Hizballah, the public facade of terrorist groups like the "Followers of God," which are headquartered in southern Lebanon.

Argentine Ambassador to Lebanon Victor Faraldo is to arrive in Buenos Aires on 26 July to give a detailed information about the political and military situation in that area before any type of drastic measures are taken.

Rogelio Pfirter, foreign policy under secretary at the Foreign Ministry, on 22 July requested "information" of Gholamreza Zangeneh, the charge d'affaires of the Iranian Embassy in Argentina, about the case involving the "repentant" Iranian. It is expected that Iran will answer this request—which was not a protest in the least—in the coming days so that the Menem administration may decide how to continue vis-a-vis its relations with Tehran.

Iran Offers To 'Cooperate' in AMIA Investigation

PY2607140794 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1223 GMT 26 Jul 94

[Text] Buenos Aires, 26 Jul (NA)—Iranian Ambassador to Buenos Aires Hadi Soleyman Por handed to Foreign Minister Guido di Tella a letter in which the Iranian Government expresses its willingness to cooperate in the clearing up of the attack against the Argentine-Israeli Mutual Association (AMIA).

The letter was given to di Tella during a meeting at the Foreign Ministry on 25 July. The meeting was called so that the diplomat could "comment" on the reports that link his government with the Followers of God [Ansarallah], which have claimed responsibility for the 18 July attack.

In view of the Iranian Government's decision, the Foreign Ministry "will remain in contact" with the Iranian ambassador, while it was also decided "for the time being not to adopt any measure regarding bilateral relations."

It has been learned that Soleyman Por was not asked about the statement made by a repentant Iranian over the weekend in Caracas, Venezuela, to Judge Juan Jose Galeano about alleged connections between the Iranian Government and Hizballah and its guerrilla organizations.

There were also meetings at the Foreign Ministry with the ambassador from Lebanon, Riyahd Kantar, and with the Syrian charge d'affaires, Nadir Nadir.

Iranian Woman, Third Person Arrested in AMIA Case

PY2607173194 Buenos Aires Radio Nacional Network in Spanish 1600 GMT 26 Jul 94

[Text] During the past few hours, an Iranian woman has been arrested, in addition to the person who sold the Renault Traffic van. A third person has also been arrested; all are linked to the Argentine-Israeli Mutual Association case. According to police sources, the three persons who have been arrested are being held at the Central Police Department, and are at the disposal of Federal Judge Juan Jose Galeano. They will be questioned within the next few hours.

Iranian Ambassador Summoned to Foreign Ministry Twice on 26 July

PY2707032594 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2307 GMT 26 Jul 94

[Text] Buenos Aires, 26 Jul (NA)—Iranian Ambassador to Argentina Hadi Pour stated on 26 July that his talk with Argentine Foreign Ministry officials had centered on "terrorism, of which my country is also a victim."

Pour, who was summoned to the Foreign Ministry on 26 July, held a meeting with Deputy Foreign Minister Fernando Petrella. Upon leaving the Foreign Ministry the Iranian ambassador said that "we have to find effective measures" to struggle against terrorism.

This is the second time the Iranian ambassador has been summoned to the Foreign Ministry in the last 24 hours regarding pro-Iranian terrorist groups' possible links with the attack on the AMIA [Argentine-Israeli Mutual Association] headquarters.

Di Tella To Visit Jordan; 'Possibility' of Meeting With 'Arafat

PY2607192494 Buenos Aires CLARIN in Spanish 26 Jul 94 p 3

[Excerpt] Foreign Ministry sources on 25 July reported that Foreign Minister Guido di Tella is preparing a trip to Jordan within the next few months. During his Middle

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East tour, di Tella will visit the new autonomous Palestinian territories of Gaza and Jericho. There is the possibility of a meeting with Yasir 'Arafat. [passage omitted]

Menem Denies Cabinet Resignations

PY2607173494 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2323 GMT 25 Jul 94

[Text] Buenos Aires, 26 Jul (NA)—President Carlos Menem tonight ratified that all members of his cabinet will remain in their posts. This ended a day of rumors about the imminent departure of Interior Minister Carlos Ruckauf and eventually of Foreign Minister Guido di Tella.

"There will be no resignation of ministers, I have not asked for the resignation of any minister or secretary of state," Menem said when he suddenly referred to the topic during an address at the White Room of Government House.

On the occasion Menem signed a framework agreement on employment with representatives of the labor and business sectors. He said the "rumor mills are manned by those who fail in life," and they are responsible for the rumors.

"I am very proud of the government team, with the ministers who work for the president," said Menem to the applause of those who were in attendance.

"To dismantle one of the many rumor mills that are manned by those who have failed in life and who seek to obstruct the task of those who are successful, to those who are here inside and outside Government House and throughout the country, I have only one thing to say: There will be no resignations of ministers, I have not asked for the resignation of any minister or any secretary of state."

Menem stressed that they will "continue to work at the national and international level because that is what the Argentine Republic needs."

"I do not ask how things happen: What is good for the country is good for the government," he said.

He stated that the framework agreement on employment that was signed with the General Labor Confederation and business organizations "is good for Argentina and that is why we are signing it here and now for this and future generations."

Bolivia

President Sanchez To 'Denarcotize' Relations With U.S.

PY2607162394 La Paz PRESENCIA in Spanish 20 Jul 94 p 5

[Text] (ANF)—President Gonzalo Sanchez de Lozada has told the FIDES NEWS AGENCY that the government is drawing up a foreign policy with a strategy to denarcotize [desnarcotizar] its relations with the United States, to "bring down the Berlin Wa'l" that separates us from Chile, and to carry out negotiations with neighboring countries in particular.

Sanchez de Lozada explained that these and other foreign policy goals are aimed at achieving with dignity all the objectives that respond to the national interests going beyond the changes of administration.

"A poor, dependent country cannot be chauvinistic with foreign policy. We are facing Chile, the United States, and other neighboring countries with dignity but never with chauvinism," said President Sanchez de Lozada when he explained to ANF the goals of his government's foreign policy.

He pointed out that Bolivia needs a long-range foreign policy and that he hopes the basis of a new diplomatic strategic vision in accordance with the concrete interests of the country will be approved during his administration.

Sanchez de Lozada said, however, that his government is already negotiating ahead of time with Paraguay, Argentina, and Chile, and that he hopes the negotiations will be fruitful in the near future.

He admitted that the contacts with the United States seek to denarcotize bilateral relations because the U.S. pressure not only on Bolivia but also on Colombia and Peru is centered to the extreme on drug enforcement.

He added: "This doesn't mean we are in disagreement. We want results, not just obligations. We are not finding creativity or the attitude leading to that objective, but we are doing this."

He admitted Bolivia needs the U.S. aid to fight drug trafficking, but said that if the necessary measures are not taken, drug traffickers will take over the country, with results that could really be tragic.

Sanchez de Lozada also pointed out that greater coordination between the two governments is needed to fight drug trafficking more effectively. He added: "It isn't so much whether we get impositions. We need results, and only a good policy will achieve that."

Sanchez de Lozada is optimistic about everything his administration has done so far in its relations with the Chilean Government. He said: "With Chile we are making progress on all fronts, in the economic and cultural areas, but at no time are we putting aside our claim for a sovereign sea outlet."

Sanchez de Lozada hinted, however, that there is no rush in his government's sea outlet policy. He concluded by saying: "How long did West Germany have to wait until the Berlin Wall was brought down? When a wall falls, it falls fast. This doesn't mean it will fall tomorrow. But as the Germans say, one must practice 'real politik,' following a very concrete, serious, unhurried policy but without giving signals of being wrong."

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Messages Sent to Argentina, Israel Condemning Attack

PY2607173994 La Paz PRESENCIA in Spanish 20 Jul 94 p 5

[Text] The Bolivian Government, through the Foreign Ministry, has sent a message to the Argentine Government expressing its solidarity "in view of the regrettable event of 18 July as a result of the savage terrorist attack perpetrated against the Argentine-Israeli Mutual Association in Buenos Aires."

"At a time when the international community is seeking to strengthen peace and when Latin America is becoming an example for coexistence, integration, and cooperation, the irrational action of bad individuals who advocate violence is not only a retrogressive step but extremely condemnable and inhumane," says the communique sent to Argentine President Carlos Menem and Foreign Minister Guido di Tella.

The Foreign Ministry also sent messages of solidarity and repudiation of the terrorist attack to Israeli Prime Minister Yitzhaq Rabin and Foreign Minister Shimon Peres.

Results of Antinarcotics 'Operation New Dawn' Viewed

PY2607160194 La Paz Television Nacional Network in Spanish 0100 GMT 19 Jul 94

[Text] Within five days, more than 300 people in Chapare have been arrested. There is intensive police action because the operation that began at dawn on 15 July continues.

A total of 470 Leopards [special antinarcotics force agents] and 230 police are involved in Operation New Dawn, which is being conducted in Chapare and which to date has resulted in the arrest of more than 300 people.

The official report states that during these five days the forces conducted 41 incursions. They have found and destroyed 22 laboratories and 44 maceration pits and seized a total of 304 kg of cocaine sulfate and paste.

Evo Morales, the controversial coca growers leader, was detained for some hours when the Leopards this morning interrupted a meeting of union leaders who said later that this show of antidrug force is just a pretext to justify later the eradication of the coca crops.

The union leaders also spread rumors about tough confrontations. The government has said there have been no confrontations. The social defense under secretary [not further identified] said:

[Begin recording] We believe tranquillity prevails in Chapare. The demonstrations prepared by some coca growers leaders have not been successful because the workers are not supporting them. Important coca growers association leaders met today with members of the special antinarcotics force to coordinate and resolve, within the framework of understanding and democratic agreement, any problems so as to allow the success of Operation New Dawn. [end recording]

Minister of Government German Quiroga Gomez explained that most of those arrested have no identification documents:

[Begin recording] A total of 317 people have been arrested so far, of which 70 have already been released since no evidence was found on their involvement with drug trafficking, which is the objective of this operation. So far 44 maceration pits and 25 cocaine laboratories have been found and destroyed. [end recording]

After the operation, which has not yet been concluded, government officials intend to exert strict control on precursors brought to Chapare and to control coca marketing which, as of this date, will have only one legal marketing place: the locality of Sacaba.

Armed Forces Commander on Reform of Constitutional Articles

PY2707023594 La Paz LA RAZON in Spanish 19 Jul 94 p A3

[Text] Armed Forces Commander General Fernando Sanjines yesterday voiced the institution's disagreement with the amendment of Article No. 230 of the Constitution, as proposed in the law that declares the need to amend the Constitution.

After a meeting yesterday afternoon with President Gonzalo Sanchez de Lozada, Gen. Sanjines disclosed that the Armed Forces had expressed its opinion on the mentioned law, which is to be discussed in detail by the Senate although it has already approved its main guidelines.

Gen. Sanjines said: "Regarding Article No. 230 of the Constitution, the Armed Forces are against modifying this article, and request that those in charge of deciding what amendments are to be made look into the subject more thoroughly."

Sanjines also said that President Sanchez de Lozada had promised the Armed Forces his full support, and added: "We fully agree, and the president has promised to promote a detailed analysis and make sure that the subject is handled in a more flexible manner."

As for the amendment of Article No. 1 of the Constitution, Gen. Sanjines asserted that it was modified partially, and that it is worded better than in the law on the need to reform the Constitution.

The military commander said: "We have expressed our opinion on the articles being discussed from the viewpoint of safeguarding national unity, and have requested that the amendments to the Constitution have that spirit."

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As for the decentralization process, Sanjines said that the Armed Forces support the country's administrative decentralization, but not the political decentralization. Sanjines announced another meeting this week with the president to assess the agreements reached yesterday.

Brazil

Iranian Embassy in Brazil Denies Involvement in AMIA Bomb Attack

PY2607143194 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0015 GMT 26 Jul 94

[Text] Brasilia, 25 Jul (AFP-NA)—The Iranian Embassy in Brasilia categorically denied on 25 July any involvement by Iranian diplomats from the Southern Cone in the attack on the Argentine- Israeli Mutual Association (AMIA), which has claimed more than 70 lives.

Mohammad Hossein Bani Asad [name as received], the first secretary of the Iranian Embassy in Brasilia, asserted that "the Iranian Government considers any statement to that effect offensive."

"The Iranian Foreign Ministry's spokesperson has made our position clear by rigorously denying and condemning terrorist actions such as the one that occurred in Buenos Aires," the diplomat emphasized.

Bani Asad indicated that the accusations against the Iranian ambassador to Argentina do not merit credit. "They must be ignored or considered very insulting," Bani Asad said.

Government 'May Support' UN 'Intervention' in Haiti

PY2607233394 Sao Paulo AGENCIA ESTADO in Portuguese 1906 GMT 26 Jul 94

[Report by Sonia Silva]

[Text] Brasilia, 26 Jul (AE)—Brazilian Foreign Minister Celso Amorim today announced that the Brazilian Government may support intervention in Haiti "if it is conducted under the UN banner." Amorim made these remarks after conferring this morning with Peter Tarnoff, U.S. State Department under secretary for political affairs, who had already visited Argentina with the same objective of obtaining support from UN Security Council member countries for an intervention in Haiti designed to reinstate ousted Haitian President Jean-Bertrand Aristide.

Amorim's press office reported that the Brazilian position favors a military intervention through a multilateral peacekeeping force. Brazilian support is also dependent upon the content of the draft resolution whereby the United States is requesting UN authorization to intervene in Haiti. Through his press office, Amorim said: "We would consider it positive for the United States to seek a multilateral manner in which to resolve the problem."

Amorim added: "As the matter is still being negotiated, and it is still at the stage of a draft resolution, we are not going to make further comments." Amorim received from Tarnoff a letter sent by U.S. President Bill Clinton to President Itamar Franco. Amorim noted that Brazil is in favor of a prompt solution to the Haitian crisis. He said: "The situation of the Haitian population is reaching a breaking point."

Tarnoff conveyed his satisfaction over the talks he held with Amorim. He said: "I have reason to believe that Brazil and the United States are going to work together on this matter." He added that the international community "is running out of patience" and advocated the reestablishment "as soon as possible" of democracy in Haiti. Tarnoff said that by the end of this week the United States will be submitting the draft resolution on intervention to force the departure from Haiti of the coup leaders. Yet Tarnoff declined to specify what military measures could be adopted or the dates for such military actions in Haiti.

Poll: Support Decreases, But Lula Continues To Lead

PY2707023394 Rio de Janeiro Rede Globo Television in Portuguese 2300 GMT 26 Jul 94

[Text] With 70 days remaining before the 3 October general elections, the latest opinion poll conducted by the Brazilian Public Opinion and Statistics Institute, IBOPE, shows how Brazilians would vote if the presidential elections were held today. Here are the figures:

According to IBOPE, if the elections were held today Workers Party candidate Luiz Inacio Lula da Silva would be in first place, with 30 percent of the votes; Brazilian Social Democracy Party candidate Fernando Henrique Cardoso would place second, with 27 percent; former Rio de Janeiro Governor Leonel Brizola, the Democratic Labor Party's candidate, would be third, with 6 percent; former Sao Paulo Governor Orestes Quercia of the Brazilian Democratic Movement ,Party would be fourth, with 4 percent; Progressive Renewal Party candidate Esperidiao Amin would be fifth, with 3 percent; Eneas Ferreira, who is running for the Party for the Redefinition of the National Order, would be sixth, with 2 percent; and blank and voided ballots and undecided votes would total 28 percent.

Four candidates did not receive any votes in the IBOPE survey: Flavio Rocha of the Liberal Party, Admiral Fortuna of the Social Christian Party, Walter Queiroz of the National Reconstruction Party, and Caetano Matano of the Brazil's Workers Party.

Here are the performances by the leading presidential candidates in the latest five surveys conducted by IBOPE:

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In April, during the first IBOPE survey, Quercia obtained 6 percent. In May, he lost one percentage point. In June, he climbed back to 6 percent. Early in July, he slipped by two percentage points, and now he continues to have 4 percent.

In April, Brizola had 9 percent. He slipped to 8 percent in May. He kept the same percentage in June. Early in July, he slipped by two percentage points. Today, he continues with 6 percent.

In April, Cardoso had 17 percent. He slipped to 15 percent in May. He climbed back to 17 percent in June. Early in July, he climbed to 20 percent, and now he has 27 percent.

In April, Lula had 34 percent. He climbed to 36 percent in May. He jumped to 39 percent in June. Early in July, he slipped by four percentage points. He has now slipped down to 30 percent.

During this survey, which was held nationwide from 20 to 24 July, IBOPE interviewed 2,000 people.

Minister Signs Accord With PRC on Civil Aviation

PY2607131594 Brasilia Voz do Brasil Network in Portuguese 2200 GMT 21 Jul 94

[Report by Alicia Santiago]

[Text] Brazil has signed an agreement with the PRC in the field of civil aviation.

Lieutenant Brigadier Lelio Viana Lobo, Brazilian Air Force minister, has been in Macao, PRC [as heard], where he signed two air transportation agreements. These are the first agreements the Macao Government [as heard] has signed with Brazil. Minister Lelio Lobo has said the accords will allow rapprochement between the two countries in the field of civil aviation.

[Begin Lobo recording] It is very difficult now for Brazilian entrepreneurs to reach the PRC and for PRC entrepreneurs to reach Brazil. Once this accord is signed, I hope direct flights between the PRC and Brazil will become feasible, be they via a PRC airline or a Brazilian airline. [end recording]

The Air Force minister believes flights to Macao will begin following the completion of the local airport, as expected, at the end of 1995.

Environment Agreement Signed With Russia

PY2607123694 Brasilia Voz do Brasil Network in Portuguese 2200 GMT 25 Jul 94

[Text] Brazil and Russia have signed an environment cooperation agreement by which the two countries promise to implement the measures adopted at the UN Conference on Environment and Development in Rio de Janeiro in 1992. Brazilian Ambassador to Moscow Sebastiao do Rego Barros said the agreement will become effective within the next three months since the only points to be settled are specific points defined by Brazilian and Russian experts.

[Begin Rego Barros recording] This is a long-term program. Within three moths we want to begin concrete measures and then continue this cooperation, seeking new environmental fields in which to cooperate. There is even the possibility of involving other countries at a later date. [end recording]

The agreement was signed by Russian Deputy Foreign Minister (Giorgi Menegas) and Itamaraty Secretary General Roberto Abdenur, who is in Moscow discussing with Russian officials the possibility of increasing exchange between the two countries, especially in the fields of foreign trade and science and technology.

Chile

Armed Forces Officers Participate in Talks in Lima

PY2607134494 Santiago EL MERCURIO Spanish 2 Jul 94 p C5

[Excerpt] Peruvian President Alberto Fujimori on 1 July met with the chiefs of staff of the Chilean Army, Navy, and Air Force who participated in the ninth round of talks between the Chilean and Peruvian Armed Forces in Lima.

The talks, which lasted the whole week, were attended by a delegation headed by General Fernando Rojas Vender, the Chilean Air Force chief of staff; Major General Richard Quaas, the Army chief of staff; and Vice Admiral Alfredo Gallegos, the Navy chief of staff.

Also present was Vice Admiral Jorge Patricio Arancibia, the Chilean national defense chief of staff.

The report states that important agreements toward increased cooperation and understanding between their respective institutions were achieved during the meeting.

The two parties agreed to a new round of talks in Santiago, Chile during the second half of 1995.

This binational meeting, which was held last week in Lima, was chaired by Vice Admiral Luis Giamfietri Rojas, chief of the general staff of the Peruvian Navy who, during the closing session, outlined the achievements obtained from these meetings which have been held since 1985.

Subjects of mutual interest were discussed, including the struggle against drug trafficking, the protection of territorial waters, and measures to increase mutual trust between the Armed Forces of the two countries. [passage omitted]

Government To Negotiate Free Trade Agreement With EU

PY2607132894 Santiago Television Nacional de Chile Imagen Internacional in Spanish 0100 GMT 23 Jul 94

[Text] Foreign Minister Carlos Figueroa announced today that Chile will begin negotiations to establish a free trade agreement with the EU [European Union].

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[Begin recording] [Unidentified reporter] Minister Figueroa has said this is one of the main issues that will be discussed with a delegation of European leaders headed by Martin Bangemann, vice president of the European Commission, and Spanish Foreign Minister Francisco Javier Solana, who will arrive in Chile this weekend. Figueroa noted that Chilean interest in a free trade agreement is based on the fact that the EU receives almost 30 percent of all Chilean exports.

[Figueroa] We want to strengthen our commercial and economic links with the European community through a different formula. At present we have simple bilateral relations.

[Reporter] Figueroa pointed out that an eventual agreement with the EU will not interfere with the free trade agreement being negotiated with the United States and with Mercosur [Common Market of the South]. [end recording]

Government Explains Why Stange Not Allowed To Travel To Peru

PY2607205494 Santiago Television Nacional de Chile Imagen Internacional in Spanish 0100 GMT 23 Jul 94

[Text] The government disclosed today the reasons why it did not authorize Carabineros Director General Rodolfo Stange to travel to Peru to attend an international police meeting.

The government explained that the plan for modernizing the Carabineros and next year's budget are under study. Gen. Stange said he does not know if the institution will understand the government decision.

[Begin recording] [Unidentified reporter] In a brief communique the Defense Ministry confirmed the government prohibition, but Interior Ministry Under Secretary Belisario Velasco explained the reasons that prevented Gen. Stange from traveling to Peru and General Fernando Cordero [Carabineros logistics director] to Colombia.

[Velasco] This is because important issues that were just brought before the defense minister are under study. The issues are the modernization of the Carabineros and the budget, which will be studied in the next few days.

[Reporter] Velasco added that the prohibition has nothing to do with a new government policy for the Carabineros. This how Velasco responded to the criticisms of this government measure by opposition political leaders. Despite the reactions to this measure, Gen. Stange said the relations with the government are normal.

[Stange] I understand perfectly well what has been prohibited, but I don't know if the institution can understand the fact that the Carabineros being the one that created this international organization, it cannot attend as an institution a meeting that will serve to exchange police information, and to help improve the relations among institutions and the knowlege of each institution.

[Reporter] What is the situation within the Carabineros? There is talk that its members have been called to quarters, that there is a state of alert. What can you tell us about it?

[Stange] No, that is not true.

[Reporter] How are the units?

[Stange] All the units are working normally because we have to worry about the security of the people. [end recording]

This is happening in the midst of discussions about the Carabineros budget for next year. The Carabineros is asking for an additional 70 billion pesos for its budget. But before the budget is approved, the Defense Ministry is waiting for a detailed report on how the special funds given to the Carabineros by the Aylwin administration were used.

Jewish Community Eulogizes Victims of Buenos Aires Attack

PY2607150694 Santiago Television Nacional de Chile Imagen Internacional in Spanish 1100 GMT 26 Jul 94

[Text] Approximately 3,000 people gathered last night at the Israeli synagogue in Santiago to pay homage to the victims of the attack perpetrated in Buenos Aires.

Important figures from all national circles arrived last night at the synagogue, located on Serrano Street. President Eduardo Frei headed the official delegation. Former President Patricio Aylwin was also present.

The ceremony began when a candle was lit in memory of the victims, while actor (Nissin Charin) read a poem by Bertolt Brecht. Afterward, (Isaac Frenkel), chairman of the committee representing the Jewish communities in Chile, addressed the crowd and said that the attack perpetrated in Buenos Aires had shocked mankind's conscience:

[Begin (Frenkel) recording] Those who believe that this was the work of a madman are profoundly mistaken. It was an action planned by powerful people who advocate the philosophy that all those who do not share their group's belief must disappear. [end recording]

President Frei then spoke:

[Begin recording] I want to point out at this meeting that this attack has strengthened our conviction that a stable Middle East will be a source of peace for the whole world. In all international forums, our country has resolutely supported the peace process being developed between Israel and the Arab countries. [end recording]

With these words by the president of the Republic, the Chilean people extended a message of support to the Jewish people on the difficult times they are experiencing.

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Spanish Foreign Minister Meets With Figueroa, Frei

PY2707034794 Santiago Television Nacional de Chile Imagen Internacional in Spanish 1800 GMT 26 Jul 94

[Text] Spanish Foreign Minister Javier Solana says he hopes that justice will prevail in the case of the murder of Spanish diplomat Carmelo Soria.

Minister Solana, accompanied by his aides, arrived at the Chilean Foreign Ministry, where he held a working meeting with his Chilean counterpart Carlos Figueroa. Economics was the main topic raised during the meeting. Chile hopes to reach a free trade agreement with the European Union, and has Spain's express support to this end.

After the meeting the Spanish and Chilean foreign ministers walked from the Foreign Ministry to La Moneda Palace, where Solana held a meeting with President Eduardo Frei.

The case of the murder of Spanish diplomat Carmelo Soria was also mentioned during the meeting with Frei.

[Begin recording] [Unidentified report] What do you think about the possibility of this case falling under the amnesty law?

[Solana] I would rather not give an opinion on that possibility. What I would really like is for justice to solve this case as soon as possible. [end recording]

Colombia

Businessmen Concerned U.S. May Obstruct Trade

PA2607162194 Santa Fe de Bogota EL TIEMPO in Spanish 17 Jul 94 p 10A

[Text] Conditions being imposed by the U.S. Senate for unilateral aid in the struggle against drug trafficking have raised concern among Colombian businessmen who believe this could hinder trade with the United States.

Business leaders have said that the situation is uncomfortable because Colombia's international image is being harmed by statements like these.

Furthermore, they fear that Colombian exports to the United States could be affected.

Industrialists, businessmen, and exporters have said that even though the issue of trade relations has not been raised, the tension that has grown between the two nations in recent weeks due to differences in the struggle against drug trafficking could affect Colombia's trade relations with its most important trading partner.

A recent communique issued by the National Union Council [Consejo Gremial Nacional] states this organization's support for strengthening democratic institutions and the national economy. The statement was made following a message sent by U.S. President William Clinton to Colombian President-elect Ernesto Samper on the need to work together to strengthen trade relations and investments between the two countries.

However, it is believed that the National Union Council will issue a new statement outlining the Council's position.

The conditions imposed on Friday by the U.S. Congress have increased fears in the country's private sector with regard to trade repercussions.

Jorge Ramirez Ocampo, president of the National Exporters Association (ANALDEX), has said that the U.S. Congress' conditions are disquieting for the nation and added that in the future these could created difficulties with the United States.

Meanwhile, Camilo Llinas Angulo, president of the Colombian Association of Auto Parts Manufacturers (Acolfa), said the position adopted by the U.S. Senate is absurd and added that things are reaching a point where mistaken and dangerous positions could be adopted.

Llinas said that Colombia is alone in the struggle against drug trafficking and asked the United States for more cooperation in controlling the demand and consumption of drugs.

Referring to the trade situation, Llinas said that even though at present no major problems exist, it is a fact that Colombia's image has been damaged. This could have a negative impact on foreign investments.

Currently, some of the most important products Colombia exports to the United States are: coffee (3.5 million sacks), flowers ($250 million), and bananas (30 million 18-kilo boxes). The quota placed by the United States on Colombia's sugar has remained at approximately 30,000 tons per year.

It is hoped the preferential treatment granted Colombia for its struggle against drug trafficking will not change. The trade advantages allow Colombian products to enter the United States market in a lower tax bracket.

Venezuelan Importers To Receive Line of Credit

PA2707045394 Santa Fe de Bogota EL TIEMPO in Spanish 23 Jul 94 p B-3

[Report by Orlando Gamboa]

[Text] Caracas—Colombian Foreign Trade Minister Juan Manuel Santos has announced here Colombia will finance Venezuelan importers of Colombian products with a special Bancoldex line of credit.

Santos said: "The problem is not how much will be financed, given the bank has all the resources necessary. What is really important is to have the finance mechanism working as soon as possible."

The minister spoke with reporters at the headquarters of the Andean Development Corporation.

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He said the line of credit he has announced will be implemented as soon as the mechanisms for the operation are established by special binational commissions agreed upon during the meeting he held with President Rafael Caldera, to whom he offered "the backing of the Colombian people."

The minister admitted "certain problems of payment the solutions of which depend on the speed with which the commissions function" have emerged due to exchange controls set by Caldera. The commissions are also studying the mechanisms involved in the Bancoldex line of credit.

According to Santos, the Colombian financial plan is very positive for Venezuela, "because it will save it foreign exchange, encourage production, guarantee a normal flow of goods, and fight undersupply, a consequence of all crises."

The minister said: "The money is ready. Bancoldex has enough funds."

He added: "The problem for Colombia now is not how much but when."

Santos decorated Miguel Rodriguez and Alberto Poletto, former and current presidents, respectively, of the Venezuelan Foreign Trade Institute, with the Order of the Cross of Boyaca in the Gran Cross Degree. He praised both as unselfish and zealous strugglers for regional integration.

Presidential Communique Condemns Assassination

PA2707030294 Santa Fe de Bogota EL ESPECTADOR in Spanish 20 Jul 94 p 10A

[Communique issued by Colombian President Cesar Gaviria and the National Government in Santa Fe de Bogota; date not given]

[Text] The president of the Republic and the national government condemn and reject the merciless criminal attack perpetrated in the early morning hours of today in Villavicencio against Major General Carlos Julio Gil Colorado, commander of the Army 4th Division.

This cruel attack ends the life of a decent Colombian; an honest, dedicated soldier who devoted 37 years of his life to defending freedom and the fatherland. The president and the government convey to his family, comrades in arms, the National Army, and his friends the sadness and solidarity of all Colombians.

This cruel assassination is a clear example of the vicious and criminally insane behavior of guerrilla groups which attack human rights, life, and liberty. These are acts of despair and cowardice of guerrillas who seek to hide their own weakness behind terrorism. Subversion has been militarily reduced thanks to the Armed Forces' efficiency, and Colombian society as a whole rejects it. Those criminal groups are the true enemies of our democracy and our people.

The National Guerrilla Coordinating Board has rejected all peace options the government has offered. We have never accepted dialogue that is the result of terrorist intimidation instead of gestures of peace and goodwill. Last week's attack in Orito and today's murder of Gen. Gil Colorado show the nation the guerrilla's true face.

Lacking political proposals, all the National Guerrilla Coordinating Board has left is the language of cruelty and barbarism. It defends drug trafficking, murders the sons of humble families who serve the fatherland, and seeks to cut down the hopes for peace of thousands of Colombian families.

Colombia has been closing the door on violence. Colombians no longer believe in arms to defend ideas. Colombia believes in its democracy and its future. This society is obligated to defend institutions that it has peacefully constructed and which embody the yearnings and hopes of all citizens. Crimes like this one should cause us to reflect on the need to persevere in the policy of strengthening our public forces and our justice.

Everyone must work to attain peace, and this includes society's respect, support, assistance, and trust in the Armed Forces. Today, the soldiers of Colombia should know that they have the solidarity of a nation that feels represented in their permanent effort in defense of the fatherland's fundamental values.

President Reprimands, Encourages Military

PA2607134794 Santa Fe de Bogota Inravision Television Canal A Network in Spanish 0000 GMT 26 Jul 94

[From the "Seven O'Clock Newscast"]

[Text] President Gaviria has bid the military farewell with reprimand, but also with encouragement, in a message on Armed Forces Day.

The president's reprimand of the military was because of strategic and intelligence errors that were apparently made during attacks on soldiers in Uraba, Putumayo, and in the murder of General Carlos Julio Gil, commander of the Army's Fourth Division.

But the message also encouraged soldiers not to give up and to learn from past errors.

[Begin recording] [Gen. Ramon Emilio Gil] Yes, we accept that in combat operations, circumstances come up, no matter how much you plan...[end recording, in progress]

In his message, President Gaviria insists that the guerrilla is historically backward and that its terrorist attempts are the result of its inferiority complex with regard to the Armed Forces.

Supreme Court Elects New Prosecutor General

PA2607175694

[Editorial Report] Santa Fe de Bogota Inravision Television Canal A Network in Spanish at 1730 GMT on 26

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July reports that the Colombian Supreme Court has elected Alfonso Valdivieso as the nation's new prosecutor general.

De Greiff Remarks on Appointment

PA2607220194 Santa Fe de Bogota Inravision Television Canal A Network in Spanish 1730 GMT 26 Jul 94

[Interview with Gustavo de Greiff, former Colombian prosecutor general, by reporter Yoly Macellis; place, date not given; from the "Midday Television Newscast"—recorded]

[Text] [Macellis] The first question I would like to ask you is what is your opinion on the appointment of Dr. Alfonso Valdivieso as the new prosecutor general?

[De Greiff] I believe he is a good choice because, when the list of three candidates was submitted to the Supreme Court of Justice, I said three eminent citizens, very capable of helping the country a great deal, made up the list.

[Macellis] Do you believe this list has guaranteed the new prosecutor general will hold talks with the Cali Cartel to ensure it will surrender?

[De Greiff] I foresee many hurdles, but this is an issue with which the new prosecutor general will have to deal. I refuse to talk about it, because it concerns me no longer.

[Macellis] What is the current status of the negotiations with the Cali Cartel?

[De Greiff] There have been no other efforts to make it surrender. It is a shame, because I believe this policy of surrender does indeed benefit the country.

[Macellis] What do you believe was missing from the negotiations for the Cali Cartel's surrender?

[De Greiff] There were, unfortunately, certain misunderstandings with the Government that made surrendering impossible.

[Macellis] How are you leaving the Prosecutor General's Office?

[De Greiff] I am very thankful to Colombians for their kindness toward me. I am also sad, because I could not do everything I wanted to do. The Prosecutor General's Office is but a growing toddler, only two years old. The new prosecutor general's goal is, of course, to strengthen and manage it well.

[Macellis] What do you think is the main goal of the Prosecutor General's Office?

[De Greiff] To curb impunity as much as possible.

Army Confronts ELN, FARC Groups

PA2607162494 Santa Fe de Bogota Inravision Television Canal A Network in Spanish 1730 GMT 25 Jul 94

[From the "Midday Television Newscast"]

[Text] Army troops have inflicted an undetermined number of casualties on the Revolutionary Armed Forces of Colombia [FARC] and the National Liberation Army [ELN] in Santander.

In the area of the second brigade [as heard], confrontations with subversive groups this weekend occurred mainly in the departments of Santander and Norte de Santander.

[Begin General Manuel Bonett, 2d Division commander, recording] In the area under the purview of this division, 17 rebels were killed in the past three days, including yesterday. A sergeant and a soldier, members of Counterguerrilla Battalion No. 27, were killed. A captain and two soldiers were also injured but fortunately have already recovered. [end recording]

The roads from Bucaramanga to Santa Fe de Bogota were the stage for attacks against police posts and ambushes. The heaviest confrontation occurred with rebels of the 46th FARC Front in Confines, four hours from Bucaramanga. There, a convoy escorting some fuel tank-trucks was ambushed.

[Begin unidentified soldier recording] They are a bunch of cowards because even though I was injured, I went after them. Only three minutes had passed, and they had already vanished. They do not wait for the Army, and if they do, they throw a grenade and then flee. [end recording]

In Uraba, Antioquia, operations to hunt down the guerrillas who attacked Mutata during the weekend are under way.

Antioquia's departmental government has asked for greater logistical support for military forces operating in this area of the country. According to Antioquia Government Secretary Ivan Felipe Palacio, the paperwork required to obtain urgently needed funds for antiguerrilla operations often determines the failure of military actions.

[Begin Palacio recording] We hope the national government understands the current situation in Antioquia Department because it might not be similar to that in other departments. The violence we have been facing and the topography of our territory contributes to a greater number of the control elements we have discussed and the presence of soldiers in places where guerrillas might be. [end recording]

Following weekend clashes in Uraba, Antioquia that, according to official reports, resulted in 10 soldiers and at least 20 rebels dead, the civilian, military, and police authorities are currently holding a special intelligence meeting to assess the public order situation in that department. Attacks by the FARC against the police station in Carepa and the roadblocks set up by the Simon Bolivar National Guerrilla Coordinating Board in the early morning on the road to Medellin, the road to Sonson Municipality in southeastern Antioquia, and the

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road to the coast near Yarumal Municipality have also disrupted the public order situation.

FARC, ELN Guerrillas Attack Communication Center

PA2707023994 Santa Fe de Bogota Inravision Television Canal A Network in Spanish 0000 GMT 27 Jul 94

[Report by Cesar Mauricio Velasquez from the "Seven O'Clock Newscast"]

[Text] Several clashes are taking place on El Cardon Hill near Socota Municipality, Boyaca Department.

According to a last minute report received by the "Seven O'Clock Newscast," three guerrilla fronts of about 300 men belonging to the FARC [Revolutionary Armed Forces of Colombia] and the ELN [Army of National Liberation] attacked a military communication and Telecom [Colombian Telecommunications Enterprise] center guarded by 28 policemen responsible for protecting two antennas.

Reinforcements of 150 police and soldiers have arrived on the scene. So far authorities report the death of two policemen and four guerrillas. Helicopters and airplanes bombed the area throughout the day. Fighting between authorities and the subversives continues. The authorities apparently are in control of the communication antennas in northern Boyaca Department.

Peru

Fujimori Announces IMF Approval of Letter of Intent

PY2607130994 Lima Global de Television Network in Spanish 0130 GMT 23 Jul 94

[Text] The letter of intent submitted by Peru was approved in its entirety today by the IMF, as expected. This will allow Peru to go ahead with projects financed by the Inter-American Development Bank [IDB] and the World Bank.

[Begin recording] [President Alberto Fujimori] The letter of intent was approved today. It refers to an economic program that was prepared by our experts to encourage economic reactivation, growth, and to fight poverty. This approval is a vote of confidence by this prestigious organization to the Peruvian people. The letter of intent approved by the IMF will allow us to implement, 12 months ahead of time, projects that are financed by the IDB and the World Bank. Some of these projects will be carried out with funds Peru already has. In other words, we will bring forward by 12 months the implementation of investment projects that have already been approved by the IDB and the World Bank. [end recording]

Energy Minister Clarifies Privatization Program

PY2607155194 Lima EL COMERCIO in Spanish 12 Jul 94 p A4

[Text] Iquitos, 11 Jul—Energy and Mines Minister Daniel Hokama Tokashiki has announced in this city that the north Peruvian oil pipeline, the Iquitos refinery, the oil fields in the jungle region, the warehouses, and the minor assets of Petroperu [State Petroleum Agency] will not be sold but will be given as a concession to national and foreign investors.

The minister said this during a news conference called to discuss the privatization process of Petroperu. Minister Hokama added that the bidding for the La Pampilla (Lima) and the Talara (Piura) refineries will be made this week.

He also referred to the electrification program in which the state will invest approximately $150 million in installing electricity generators in remote cities and settlements. He said that about $20 million will be invested in the Loreto and San Martin regions.

He said that in Loreto about 76,000 settlers will benefit from the electricity generators in Quistococha, Rumococha, Santo Tomas, Santa Clara, Zungarococha, Puerto Almendra, Pena Negra, El Varillal, Indiana, Requena, Pebas, Caballococha, Yurimaguas, and other towns.

Electoral Registration Deadline Mistake Corrected

PY2607140194 Lima Radio Programas del Peru Network in Spanish 1800 GMT 25 Jul 94

[Text] The Democratic Constituent Congress has published in the official gazette a correction to Articles 73 and 84 of the Electoral Law. The articles in their final form establish that presidential candidates must register with the National Election Board 180 days prior to the general elections and candidates for congressmen must register 90 days prior to the elections.

The deadlines appeared inverted by mistake in the text of the law that was promulgated by the government on 23 July. National Election Board President Ricardo Nugent said 9 October is the deadline for registering presidential candidates. He added that presidential candidates must register 180 days prior to the elections while candidates for congress must register 90 days prior to the elections.

Nugent reiterated there will no voting stations for nonresidents because this would permit irregularities.

Javier Valle-Riestra Withdraws From Presidential Race

PY2707020094 Lima EXPRESO in Spanish 16 Jul 94 p A2

[Text] Former APRA [American Popular Revolutionary Alliance] Senator Javier Valle-Riestra yesterday announced his irrevocable decision to withdraw his candidacy for the presidency, although it had still not been launched officially.

Despite the existence of a coordinating committee for his candidacy formed by Agustin Haya de la Torre, retired General German Parra Herrera, and Ricardo Hurtado

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Pacheco, the well-known jurist definitively bulled out the possibility of heading a ticket for the upcoming presidential elections.

The said committee worked officially until last 13 July, when it submitted to the various sectors of the media a press report attached to an interview granted by Valle-Riestra to a local economy magazine, in which he referred to electoral issues.

Valle-Riestra explained his decision in a brief note to EXPRESO director Manuel d'Ornellas, in response to a commentary published yesterday referring to Valle-Riestra. Valle-Riestra's note is published on this page.

Valle-Riestra explained that he "neither has the character nor the strength to endure a process that demands an electoral spirit," adding that he will not be a rival to Fujimori, Perez de Cuellar, or Belmont. He ended by stating: "I thank those who believed in me, and those whom I have disappointed. The game is over."

In referring to former President Alan Garcia, he recalled the "mutual animosity" and the attacks Garcia had made against him.

Independent Front Launches Presidential Candidate

PY2707034194 Lima LA REPUBLICA in Spanish 15 Jul 94 p 4

[Excerpt] Suddenly, without the usual electoral fanfare that entails the mobilization of militants, and even without the use of special media coverage, the National Reconciliation Independent Front [Frente Independiente de Reconciliacion Nacional—FIRNA], headed by physician Carlos Cruz Garay, yesterday registered with the National Election Board [JNE].

Cruz, who is running for president of the Republic, accompanied by retired Colonel Jose Gil Arbildo, who is running for first vice president, registered at around noon with the signatures of 104,000 supporters contained in 5,200 voters' lists on a diskette, as has been requested by JNE authorities, although this political group was not required to do so.

Cruz has thus become the second political party to register with the JNE for the presidential elections. The first was Ricardo Belmont last week, along with candidate for the vice presidency Ana Maria Pardo, a former Red Cross president. [passage omitted]

Army Commander Praises Judges for Pacification Work

PY2607155494 Lima EL PERUANO in Spanish 12 Jul 94 p A5

[Text] Army Commander Nicolas de Bari Hermoza Rios yesterday praised the role of the faceless judges in the pacification process. He added that they play a fundamental role in the implementation of the Repentance Law.

Hermoza Rios stated, however, that the possibility of replacing some faceless judges who authorized the release of terrorist leaders will be decided by the Constituent Congress and the Supreme Court.

He said: "All laws and regulations can be improved. I believe there are cases where some institutions are responsible. Congress and the Supreme Court are studying the issue and will make the proper recommendations."

Hermoza Rios stated that the half-year balance of the war against terrorism should consider the results of the clashes against this scourge as well as the peace that the country is experiencing.

He stressed that this peace and the government's ability to curb inflation have sparked confidence in the foreign capital market and the country has started to tread the path of economic growth.

Hermoza Rios said: "The balance the military make is naturally very objective and based on published figures. We are very proud of the Armed Forces and of the Peruvian National Police, which have fulfilled the mission entrusted to them by the president with great professionalism."

General Hermoza Rios praised the fact that tourism, which had been undermined by subversion, is currently being promoted.

SL Commando Sought To Free Abimael Guzman

PY2607164494 Lima EXPRESO in Spanish 16 Jul 94 p A13

[Text] Dincote [National Counterterrorism Directorate] yesterday confirmed the existence of a Shining Path (SL) "historic southern contingent" which sought to rescue SL founder and leader Abimael Guzman Reinoso, aka "Gonzalo," who is serving a life sentence at the maximum security prison at the Callao naval base.

The group, comprising 170 men was led by Moises Simon Limaco Huayascachi (33) aka "Ramiro." The group now allegedly supports the peace agreement proposed by Guzman.

The plans were discovered following the arrest of "Ramiro," who was the SL Southern Regional Committee political commander. Moreover, he was a member of the SL Central Committee and coordinator of the SL Central Directorate.

PNP [Peruvian National Police] sources have said the SL "historic southern contingent" has within its ranks members who have the physical and military training to perpetrate suicide missions.

Limaco was to have "rewarded" the men he "chose" with a silver medal the size of a new Sol coin. Guzman's face is engraved on one side of the coin. The engraving is

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taken from a photograph of Guzman when he addressed his followers in October to request the peace agreement.

On the other side of the "medals" is the inscription "Historic Southern Contingent" and the date, 1993. They were found in one of Limaco's hideouts. Limaco was arrested on 18 June at the Sinchi Roca housing development in Comas.

Dincote has not disclosed the group's plan to rescue Guzman.

Limaco, who now supports the peace agreement, was until recently in charge of collecting funds and other logistic means for the SL. He even became the "right-hand man" of Red Path leader Oscar Ramirez Durand, aka "Feliciano."

"Ramiro" was presented yesterday to the press with Mario German Vasquez Rojas, aka "Augusto" or "Roberto," who was also arrested on 17 June. Both of them, wearing the traditional stripped pajamas, shouted vivas in favor of the peace agreement.

According to Dincote, Rojas was a member of the People's Aid of Peru Committee, an organization entrusted with selective killings and attacks on behalf of the SL.

They have been charged with several terrorist attacks in the southern region of the country, among which are killings and bomb attacks perpetrated between May 1991 and December 1993.

It is also known that Limaco personally led the attack on the Quencoro Male Social Rehabilitation Center in Cusco from where 25 inmates escaped.

Editorial Views SL-Government Negotiations

PY2607165094 Lima LA REPUBLICA in Spanish 12 Jul 94 p 16

[Editorial: "A Pact Between the Government and the Shining Path? The Risk of 'Anything Goes'"]

[Text] The recent and revealing analysis by Carlos Tapia in our Sunday supplement provided new information on the scandal of the released terrorists. It has created serious concern among sectors of the public and has lead to the publication of editorials in LA REPUBLICA and other media.

Tapia stated that the recent release of well-known Shining Path, SL, leaders was not the result of fate or ordered by frightened judges following the violation of their anonymous positions in the faceless courts.

Subversives are being released on orders of the National Intelligence Service based on a plan concocted between government representatives and the SL leadership. The idea is reportedly to organize—as soon as possible due to the pressure of the reelection campaign which seeks to establish 1995 as the year of the SL defeat—a new television appearance by SL leader Abimael Guzman in which he will proclaim the end of the armed struggle and instruct his decimated militants to hand over their weapons and avail themselves of the Repentance Law.

Obviously the terrorist leader will not agree to a public statement without conditions and this is what gives this issue the aspect of a real negotiation. The main condition lies in Guzman's desire to appear as the undisputable leader of the subversive organization which implies ending the minority rebel resistance of the fanatic so-called "Red Path" faction headed by Feliciano.

This group has been labeled "revisionist" and "ultra-leftist" by the Guzman faction and its liquidation has been ordered unless its resistance is reduced. It has been asked to accept Guzman's latest proposal for beginning another phase of the war within the mechanisms of the Maoist "struggle between two factions."

The group headed by Guzman comprises leaders who are in prison, repentant sectors, and sectors in the process of repenting. This makes it difficult for the two factions to communicate. The Guzman group needs to know where in the country the Feliciano faction is still strong in order to send leaders there to try to defeat it ideologically.

This is where a network of captures and releases—which are all orchestrated by the SL leadership with the help of the SIN [National Intelligence Service]—comes into play. This is how important information gets into prisons and the necessary guidelines for isolating the "Red Path" and its leaders gets out.

This explains the arrest of Simon Limaco Huayascachi. He was erroneously presented by the official press as the "number two" man behind Feliciano when in reality he is one of the leaders who supports the peace agreement and the Guzman proposal within the organization. This was proven without any doubt by our research unit which does not follow the official bulletins. That his capture occurred by "chance" is still conjecture: it could even be that his capture served Guzman to have now a complete picture of the situation in his organization. Thus, the release of leaders who know regions like the Callejon de Conchucos—where the "Red Path" is still strong—can be expected.

The interests of Abimael Guzman and of society seem to coincide on one point, on the need for Feliciano's defeat and the end of the war. But as Tapia said, this level of Machiavellianism could be very dangerous because Guzman does not talk about the end of the war but of gathering forces in a situation he knows is adverse to him: "To wage a war without bloodshed" hoping for the reinstatement of the conditions for a new stage of violence in which he can resume his "policy of bloodshed."

The surrender and hand over of weapons by some subversive groups in Colombia and Central America—who left the armed struggle to enter the political arena—is radically different from the plans of Abimael Guzman

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who continues to detest elections and "traditional politics" (his other common point with Fujimori). Guzman seeks to gain time with the minimum disbanding of his followers—whom he has already promised will be released in an upcoming amnesty—in order to begin another stage toward resuming the armed struggle.

This situation leads us to the conclusion that Fujimori's electoral rush to have Guzman on television is an unnecessary risk for the country. What is needed is not a peace agreement that benefits the Shining Path by allowing it to reemerge in a few years, but a real pacification and reconciliation of Peruvian society with the end of an internal war that stained our country with blood.

Until this situation prevails it would be suicidal to reach any agreement with the head of a sect of murderers whose undeniable ability allows him to remain central in the Peruvian scene, despite the fact that he is supposed to be incommunicado. He is there because of a government that should be using him, not the other way around: Abimael Guzman uses his situation to continue in power from behind bars.

We should not be misunderstood: We believe this senseless war must end with a peace and reconciliation agreement through a Truth Commission and other requirements like in other countries. But the final objective for ending the war should allow Peruvians to ensure SL savagery will never again be unleashed in the country.

This does not seem clear based on what it is known about the current negotiations, the captures and releases of SL leaders, and about the documents that circulate, which we will discuss another time. This is why we demand from the media a more serious analysis to question some official information. Perhaps this would prevent celebrations over nonexistent captures—like the announced capture of SL leader Abdon Cruzat Cardenas who has yet to show up in a prison suit—and to avoid any shouts of triumph in a war that, despite undoubted progress, will still be long.

Uruguay

Government Protests Argentine Cut in Car Quota

PY2607131894 Montevideo Radio Carve in Spanish 0000 GMT 23 Jul 94

[Text] The Uruguayan Government has given strict instructions to its technical and diplomatic personnel to demand that Argentina review the Menem administration's measure which violates the so-called Vehicle Cause Agreement. This harsh Uruguayan reaction follows Argentina's decision to unilaterally modify, without Uruguay's consent, the importation quota of cars assembled in our country within the framework of a complementary agreement that is better known as the Vehicle Cause Agreement. The Argentine measure, implemented by decree, reduces the quota from 16,000 units to just 6,000 units, or by 60 percent.

The ministers of industry, economy, and foreign affairs met with acting President Walter Santoro when they learned of the measure and decided to issue a protest note. The note is signed by Foreign Minister Sergio Abreu and addressed to his Argentine counterpart Guido Di Tella.

Special Unit Created for Patrolling Border

PY2607182494 Montevideo Radio El Espectador Network in Spanish 0900 GMT 25 Jul 94

[Text] The government has decided to create a Special Vigilance Commando that will be made up of members from the Army, Navy, and Air Force. This commando will patrol the country's borders in their entirety in order to prevent persons who wish to avoid border controls from entering the country.

This was reported by official sources, who indicated that the decision was made by the Defense Ministry.

The commando will be headed by a general officer of the Army, and the commando's activities will complement the activities of the Interior Ministry at customs and border control points.

The decision will be made official within the next few hours when Defense Minister Daniel Hugo Martins meets with Acting President Walter Santoro.

Sanguinetti Officially Proclaimed Candidate

PY2707025694 Madrid EFE in Spanish 1622 GMT 24 Jul 94

[Text] Montevideo, 24 Jul (EFE)—Former President Julio Maria Sanguinetti was officially proclaimed the Colorado Party presidential candidate on 24 July. Sanguinetti stated that one of the main challenges confronting the country is to cease being a national economy, and becoming a regional one.

He also commented on the Common Market of the South (Mercosur), comprised of Uruguay, Argentina, Brazil, and Paraguay, which is at present in the final stages of negotiations. Over the last few weeks Sanguinetti has harshly criticized the progress of this common market.

Sanguinetti, who was the first Uruguayan president (1985-1989) following 12 years of "de facto" government (1973-1985), told a large gathering in Montevideo that "a governability and social pact is necessary for the country to recover its self-confidence and victorious spirit."

The novelty that the "Batlleist Forum" faction within the Colorado Party, led by Sanguinetti, has to offer is the electoral agreement with the social democratic "Party for the Government by the People" (PGP) led by Senator Hugo Batlla, Sanguinetti's running mate.

Sanguinetti asserted that "we offer a wind of change for the country." He praised Batlla and Mario Carminatti, who were proclaimed candidates respectively for the vice

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presidency and for the mayoralty of Montevideo, where half of the Uruguayan population lives.

In his closing speech the former head of state greeted the other parties' presidential candidates, and invited them to "devote all their efforts to coming to an agreement on the construction of a better country, rather than engaging in useless confrontations."

The elections are only four months away, and according to public opinion polls Sanguinetti is the favorite among those Uruguayans who have already decided what their choice of president will be.

Current legislation enables Uruguayan political parties to field several presidential candidates. The National or "Blanco" Party, which is currently in office, will field four candidates for the presidency; the Colorado Party, which has traditionally been the ruling party and is at present the leading opposition party, will field three candidates; and the leftist "Broad Front" coalition as well as the tiny "Green Party" will field one candidate each.

Sanguinetti Interviewed

PY2707030294 Buenos Aires CLARIN in Spanish 17 Jul 94 p 32

[Interview with Julio Maria Sanguinetti, former Uruguayan president and Colorado Party presidential candidate, by special correspondent Javier Calvo in Montevideo; date not given]

[Text] [Calvo] Do you notice anything different between this presidential campaign and the one in which you participated in 1984?

[Sanguinetti] At that time, the people's demands focused on institutional matters. In 1989 their demands were social and economic, and so they are now. As far as my personal situation is concerned, I am 10 years older, and that accounts for a lot of things. I have the experience of both heading the executive branch, and looking at things from the outside.

[Calvo] Many people say that you and the Colorado Party have changed.

[Sanguinetti] There are always changes, but our philosophy has not changed. The thing is that the other players have been giving us different labels. As far as the left is concerned, the Colorado Party is neoliberal because it advocates a market economy and macroeconomic balance. The Blanco Party claims that we are social democrats who lean toward state control because we believe that the state should play a role, not as a producer, but as a guarantor that the needs of society are being provided for. I would say that both sides are partially right. The truth is that we are true centrists.

[Calvo] What are the differences between you and the other parties?

[Sanguinetti] Actually, the other parties have been the ones to point out the differences between them and ourselves. We were the first to create the welfare state, and we were also the first to begin a state reform. The Blanco Party has always criticized us, and made every effort to dismantle the state during their term in office. The Broad Front adopted the traditional Marxist position against the welfare state and social democracy. Now it believes that the current status quo should be maintained, while we are advocating a gradual reform of the state.

[Calvo] What can you offer to the Uruguayan voters?

[Sanguinetti] The people must choose. They must choose, for example, between those who believe that we should go ahead with Mercosur [Common Market of the South], and those of us who believe that we must carefully negotiate our participation in this endeavor to make sure that Uruguayan production does not disappear. The people must choose between those who believe that inflation can be curbed by reducing industrial activities and increasing the foreign trade deficit, and those of us who advocate the growth of foreign trade. They must choose between a peaceful political approach, and the aggressive and offensive approach that the current administration has displayed toward us.

[Calvo] Are you afraid of Tabare Vazquez's popularity?

[Sanguinetti] Managing Montevideo is not the same as managing the entire country [Vazquez was Montevideo mayor until 4 July, when he resigned to focus on his presidential campaign]. City Hall is not as involved in major economic and social decisions as the executive branch. Above and beyond Vazquez's performance as Montevideo mayor, the important thing is his proposal for the future. The Broad Front still advocates collectivism, and even Vazquez personally has vindicated Che Guevara and Raul Sendic, the founder of the Tupamaro guerrilla movement.

[Calvo] Is Vazquez your main rival?

[Sanguinetti] I want to make it clear that I never said Vazquez was my main rival. My remarks was misunderstood. This is not a personal competition; it is a battle of ideas, proposals. It is very obvious that our ideas, and those of the Broad Front and the Blanco Party, are quite different.

[Calvo] It seems, however, that the presumed electoral parity of the three parties will compel the winner of the elections to seek governability agreements with the other political forces....

[Sanguinetti] Nothing should be ruled out in advance. Undoubtedly the winner will have to seek agreements to be able to govern. We would like to obtain the majority, but we realize that it is highly unlikely. At this point I can say that there are Blanco Party factions with which the Colorado Party will always be able to hold talks, because we do not have the ideological differences with them that keep us and the Broad Front apart. It is also obvious,

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however, that the Broad Front is in the process of debating ideas, and that it is likely to evolve. It is possible that as time goes by the Broad Front will adjust some of its positions, and this could close the gap between us. In the past we have reached agreements with both parties depending on the circumstances. This proves that politics is a dynamic activity.

Presidential Candidate Volonte Interviewed

PY2607175894 Montevideo EL PAIS in Spanish 10 Jul 94 p 19

[Interview with Blanco Party presidential candidate Alberto Volonte by unidentified EL PAIS reporter in New York; date not given]

[Excerpts] [EL PAIS] In your opinion, what were the most important activities of your visit?

[Volonte] It is difficult to single out just one or two activities—they were all important. They all contributed to strengthen relations with the U.S. Government and Congress, and with the lending agencies with which our country has ongoing relations. We can highlight our meeting with high-ranking IMF officials, including Sterie Beza, the director of the Western Hemisphere Department, who ranks number three within the IMF. We told him we believe the Central Bank should be independent from a technical standpoint and that we totally oppose financing the fiscal deficit by issuing money. We consider this proposal the backbone of our plan for managing public finances.

[EL PAIS] What is this proposal?

[Volonte] Public finances should be managed according to strict technical criteria. One can thus fix very concrete parameters for formulating budgets, because the latter can only be funded with genuine resources without resorting to the inflationary recourse of having the Central Bank issue banknotes. This proposal drew its inspiration in some aspects from a bill the executive branch sent to Congress which establishes the total independence of the Central Bank's executive board from the political power. All this shows public finances are completely aboveboard and maintains the value of the currency—which is after all, a reflection of Uruguayan work and sacrifice—away from the temptations of the political power which, by issuing money without any real backing, invariably impoverishes fixed-income workers and pensioners. These two sectors end up by paying for the disarray in public finances through the tax that is inflation. We Uruguayans know this story by heart and want it to end. No long-term economic policy to increase the production of goods and services or to equitably distribute this expansion can be successful if money is issued based on political considerations. This is the essence of our proposal, which we will explain in detail throughout the country during our election campaign.

[EL PAIS] How did the IMF technicians receive the proposal?

[Volonte] We linked this proposal, which is a commitment if we become the next government, to a project to control the period in which public finances must be balanced. We are aware that this Uruguayan effort must receive the support of the international financial community. This support will not be difficult to obtain if the country can demonstrate that it will implement a policy of seriousness and technical discipline outside the sphere of political intrigue. Our proposal was well received and they promised to study it thoroughly. [passage omitted]

[EL PAIS] What contacts did you make within the Clinton administration and Congress?

[Volonte] We met with Edward Casey, deputy assistant secretary of state for South American affairs, and with the assistant of the representative of the Office of Commerce. In both cases the main topics were Mercosur [Common Market of the South] and relations with NAFTA, the treaty among the United States, Canada, and Mexico.

We were promised by the U.S. authorities that the negotiations for a probable rapprochement between the two organizations would be carried out on a bloc-to-bloc basis. At the level of Congress we met with Democratic Senator Cristopher Dodd and with Republican Representative Doug Bereuter. Both have a profound knowledge of the trade policy of the United States, and in Dodd's case we encountered an enthusiastic defender of a common market from Alaska to Tierra del Fuego. We discussed Mercosur and appreciate the interest shown in this integrationist experience.

[EL PAIS] What was the main point on your agenda for New York?

[Volonte] We had the highest honor of a private audience with UN Secretary General Butrus Butrus Ghali. In the company of Ramiro Piriz Ballon, our ambassador to the United Nations who is a great friend of Ghali from the time when the latter was Egyptian foreign minister and Piriz was our ambassador to Egypt, we discussed topics linked to the peace operations, to the 50th anniversary of the United Nations, and to the activities planned by the United Nations in the matters of population and social development that will be discussed at the summit in Copenhagen in March 1995. Referring to the peace operations, we discussed this topic with Mr. Kofi Annan, the UN assistant secretary general in charge of this matter. We thoroughly studied the role of the Uruguayan Armed Forces, which has the full approval of the United Nations. We must recall that 909 of our military men and 20 policemen are currently posted in Rwanda, Liberia, the Western Sahara, Mozambique, and in the border areas of India, Pakistan, Iraq, and Kuwait. We also discussed the financial problems of the United Nations. It was explained to us that they stem from the nonpayment of contributions by some members to meet the expenses of these operations. Uruguay has already received about $18 million for this task and some $8 million is still owed. Confidence was expressed that this

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problem will by quickly resolved when member countries comply with their financial obligations to the United Nations. [passage omitted]

Broad Front Candidate Says Communism 'Dead and Buried'

PY2607205894 Buenos Aires CLARIN in Spanish 17 Jul 94 p 33

[Interview with Tabare Vazquez, former Montevideo mayor and presidential candidate for the Uruguayan Broad Front by special correspondent Javier Calvo in Montevideo; date not given]

[Text] [Calvo] How does the Broad Front reconcile the many markedly different viewpoints of its various factions?

[Vazquez] We should not start out with a unanimous position because we all know what happened in certain East European countries because of unanimity. It is true that Broad Front factions hold different positions on certain issues. We have discussed these issues in depth like no other party and have clearly and democratically made our position known to the people.

[Calvo] Which party is the electoral rival of the Broad Front?

[Vazquez] Poverty and misery are our enemies, the other political parties are our adversaries. We believe political, social, and economic policies implemented during the last few decades are to blame for what we have to deal with today: growing poverty, misery, marginalization, and infant mortality. As the Bible says: "By their fruits they shall be known," and these are the fruits of those policies. The Colorado and National Parties epitomize this neoliberal approach.

[Calvo] What can the Broad Front offer?

[Vazquez] What we can offer is outlined in our proposals, but our administration of the City Hall is an even better example of what we can offer. First, we proved to everyone that there was no chaos. Instead, people of all leanings participated in the municipal administration, and supervised its actions. Second, we did not restrict ourselves to crisis management, we actually made choices because that is what governing is all about: choosing options. We chose the options that benefited the poor most. That is why we have the support of the people. Lastly—although this is by no means an exclusive achievement of the Broad Front—we demonstrated that high ethical and moral standards are compatible with politics and public service. I believe this is quite an achievement.

[Calvo] Yet there have been reports of corruption charges against your administration.

[Vazquez] Many things have been said. I publicly challenge anyone who has evidence that we lined our pockets to submit it. Any businessman or company that has been awarded City Hall contracts or tenders can attest our honesty. I personally brought criminal charges against, and dismissed, municipal officials involved in shady deals.

[Calvo] Is it not a contradiction that your administration contracted out services to private companies?

[Vazquez] We do not believe working with private companies is offensive. Governments must promote development and cannot accomplish this alone, they need the cooperation of private businesses which create jobs and generate wealth. We believe the argument between those who support state control and those who believe in the free market economy frequently focuses on the wrong things. Some advocate less state control and more market economy, some want more state control and less market freedom, but we call for a better state and a better market.

[Calvo] Do you agree with those who believe managing City Hall and managing the country are two different things?

[Vazquez] I do not believe that there is anything more difficult in Uruguay than managing the Montevideo City Hall. The reason for this is that half of the country's population lives there, and that one must deal with great political, commercial, and industrial centralism. Managing Montevideo means coping with all this and at the same time patching roads, putting up street lights, and providing solutions to concrete problems. The national administration outlines general policies and does not have to face the people and their problems.

[Calvo] Then why do you want to become president?

[Vazquez] I want to be able to implement a program to change this country so as to give all Uruguayans a better standard of living, to prevent the great wealth that this country is generating from going to fewer and fewer people, and to stop poverty from growing.

[Calvo] Sanguinetti has charged you with being a collectivist.

[Vazquez] Mr. Sanguinetti typically resorts to verbal terrorism. I believe, however, that myths can no longer be used to frighten the people. Communism has been dead and buried for a while now, but Sanguinetti needs to stir up fears. The Uruguayan people are intelligent and will no longer be scared by this. They are very well aware that the problems lie elsewhere.

Venezuela

Congress Briefs President on Special Session

PA2607200494

[Editorial Report] Caracas Venezolana de Television Network in Spanish at 1634 GMT on 26 July broadcasts live a Venezuelan Congress ceremony held to brief President Rafael Caldera on the opening of a special

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legislative session, which will discuss the executive branch's suspension of certain constitutional guarantees. The ceremony is held at the National Congress.

Following the playing of the national anthem, during which Caldera stands on the steps of the building, Caldera enters and takes a seat at the end of a large reception hall, under a portrait of Simon Bolivar. Caldera is flanked by two unidentified officials. Congressional officials are seated along the sides of the room.

The ceremony is opened by Senator (Carlos Moroyeski), representing the Senate of the Republic. The senator comments on how honored he is to be representing the Senate at this ceremony and goes on to discuss the importance of the special congressional session.

Senator (Moroyeski) explains the framework for Congress' recent decision to restore certain constitutional guarantees, noting that "any objective consideration of Congress' behavior must conclude, without any narrow-mindedness, that a parliament dominated by the opposition as a result of December's elections has not tried to hamper the government's actions and has shown clearly that it wants to facilitate all things that might improve the living conditions of the Venezuelan people so that your administration, despite our differences, can be viable. That is the dignity of dissent as a function of the important responsibilites that we must all carry out."

(Moroyeski) continues: "Congress, after studying the testimony by cabinet ministers and other public officials, as well as the effects this decree has had on the country's life, felt there was no reason to preserve it in its entirety for the following reasons: First, during the question and answer sessions, there was no evidence that there would ever be a conclusive argument that would support a decision on the temporary loss of rights which constitute the essence of the democratic system."

Senator (Moroyeski) continues explaining the Senate's position. He notes that there are conceptual differences between the legislative and executive branches, saying: "This is why the response given to Congress, whose actions I have outlined, can be and should be a dialogue. Mutual respect is a requirement between the government and Congress, between legally elected public powers. In this regard, I adopt as my own the statement attributed to Congress President Eduardo Gomez Tamayo, who said the following when he learned of the decision on the new decree suspending guarantees: I have not been informed about this issue. This should have been communicated to the legislative branch, even if only for courtesy's sake."

Deputy Paulina Gamus speaks on behalf of the Chamber of Deputies. She reviews the events leading up to the current crisis, quoting at length from Caldera's 2 February speech and noting the state of relations between the executive branch and the Congress.

Gamus says: "We approved the Special Powers Law for the president of the Republic. This was not done out of negligence or because we faltered in our obligations and duties, as some have said and written. Rather, this was to ease the approval of laws, the application of measures, the implementation of programs that would have been delayed if they had to be submitted through normal parliamentary procedures. No one who is not blinded by calculated miserliness, by totalitarian deviance, by personal ambition, or by the simple fad of attacking parliamentary institution can fail to acknowledge that the Congress' actions in these past six months of sessions has been responsible, timely, and in total conjunction with the nation's interests and pressing needs."

Gamus goes on to describe in detail the various measures taken by both the government and the Congress throughout the current crisis. She quotes at length from a speech Caldera made in 1986 on the sanctity of the Constitution.

Gamus says: "As a Venezuelan, I am as worried about the future of my country, the future of my children and my grandchildren, as you are, Mr. President, and as are all those who love Venezuela, beyond political selfishness or fascist deviance. I must be confident that the political leadership has enough common sense and intelligence to find, through mutual respect and consideration, honorable solutions to a confrontation that is heightening our dramatic problems. The country is tired of sterile confrontations, futile arguments, wars of words, destabilizing rumors, of a lack of agreement and discord among its leaders.

"Many years have passed, yet we cannot see the light at the end of the tunnel. Every convulsion in the political world makes our chances of recovering more remote. The country wants to know where it is headed, what is its course, and what is its destiny. It is the government's duty to answer this and to end uncertainty and confusion.

"Do so, Mr. President, and you can rest assured that those of us who love Venezuela will never hesitate to give you our support, because we don't want the Republic to be lost in your hands. Saving it is the task of everyone—the government, the Congress, justice, and of all who participate in national life. Let us rescue the value of truth. Let us guarantee to the people that we are going to pursue and punish the corrupt and the swindlers and recover ill- gained property from them. But we must also tell them that this is not enough to build a prosperous country and that we must work, produce, and above all, believe in Venezuela. No society can build its prosperity on hate, resentment, or vengeance.

"Mr. President, offer the country an economic and social recovery program, without labels or prejudices, without dogma or messianism, and you will have the gratitude of all. Thank you very much."

Caldera Gives Speech

PA2607192294 Caracas Venezolana de Television Network in Spanish 1719 GMT 26 Jul 94

[Speech by Venezuelan President Rafael Caldera at a ceremony marking the opening of a special legislative session at the National Congress in Caracas—live]

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[Text] Mr. President of Congress; Mr. President of the Chamber of Deputies; Messrs. Senators and Deputies: Leaving aside the temptation to respond to controversial statements, I want to say in all sincerity that the government takes an optimistic view of the legislative chambers' call for special sessions to thoroughly discuss, within the framework of the law, draft bills that the executive deems indispensable and urgent in order to cope with the situation facing the country. This summons to a special session gives us hope that approval of laws deemed indispensable by the executive will lead the way to solving the problems now facing the country. The executive, with all its responsibility and direct knowledge of different aspects of national life, considers these problems so serious that they have prompted the government to suspend some and to keep other constitutional guarantees suspended.

When I was elected president of the Republic on 5 December 1993, the country was well aware that we were facing a serious crisis—an economic, political, institutional, and moral crisis.

Former President Ramon Velasquez, who is an assiduous student of contemporary Venezuela, has said over and over that in his opinion this is the most serious crisis Venezuela has had throughout its history. In order to face that crisis, ever since the days of the election campaign, I have called on Venezuelans to maintain solidarity and join efforts, because without this it would be virtually impossible to achieve the solutions that people want, that are indispensable.

But before the new government took office no one ever thought that the crisis in the financial system was as serious and critical as has been revealed in the past few months. The administration of Dr. Velasquez had to intervene in Banco Latino, one of the most important banks in the country. This caused despair to millions of people who had been lured into putting their savings and results of their efforts over many years in that bank.

Nobody knew or imagined that the Banco Latino crisis was as huge as was later seen. The same President Velasquez informed me that financial authorities, in particular the superintendent of banks, told him that the Banco Latino crisis would cost 6 billion bolivares. Nobody ever thought the Banco Latino crisis would grow to exceed 300 billion bolivares.

But once the Banco Latino crisis was satisfactorily resolved with the cooperation of state branches, particularly the legislative and the executive, it turned out the crisis was bigger than thought and that it threatened the entire financial system. It became evident the crisis was a systemic crisis, as spokesmen for the National Banking Council themselves said. The Central Bank and the Presidency of the Deposit Guarantee and Banking Protection Fund, Fogade, faced that systemic crisis through an enormous system of subsidies. As Fogade and the Bank Superintendency began to study the situation in some organizations that were being helped, it was discovered their situation was much worse than published accounts or reports revealed at first.

The situation was such that after the large effort undertaken by Venezuela to try to avoid having millions of savers and depositors in the eight organizations being helped be adversely affected, the investigations determined that said banks could not be saved from bankruptcy. A situation that no one predicted or announced suddenly emerged. It is not a matter of funds from public entities being withdrawn. In reality, the crisis stemmed from the fact that operations conducted by said banks were such that not even by reinjecting capital several times could the situation be normalized and a satisfactory solution be reached.

But coping with this serious situation, which entailed facing its consequences, helped us learn—I want to announce this to the legislative branch in this forum—about incidents that prompted us to take rigorous action. These measures demand that we act in unison. They cannot be undertaken by different and separate entities, as established in the legislation approved last year. These actions require a single command and an all-out effort to guarantee to the country that its financial system will operate satisfactorily.

The crisis in the financial system affected many areas, especially the aggressive currents against our currency, creating a devaluation we did not want, a reduction in our international reserves--which forced us to tie a tourniquet on to control an unjustified hemorrhage—because the country has sufficient resources in foreign exchange to meet our import and export needs and all other things involved in the normal development of society.

That is why we made the decision to adopt the exchange rate controls. These are rigorous controls that can ensure the stability of our currency and increase our international reserves. To make the established system work effectively, to prevent the exchange rate control from being called a mockery, to avoid pleasing the enemies of Venezuela, who announce we are going to fail every time we take a measure, we need sufficient power to enforce the provisions and, if necessary, arrest the scalpers. If necessary, we will prohibit the circulation of certain assets that should not leave the country. And, with the suspension of constitutional guarantees, we are forced to use the powers granted us by the Constitution to arrest violators of the norms at any given time and to confiscate assets, foreign exchange, and resources that were ill-gotten—all this through the suspension of guarantees so that judges can then take the proper action.

The crisis in the financial system was also reflected in situations that were extremely serious for the country. The rapid devaluation of our currency brought with it unrestrained inflationary pressures. It resulted in profiteering and price gouging by scalpers, who for every 10 point increase in the inflation rate increased their prices 100 or 200 percent, thereby pressuring consumers in a totaly unacceptable manner. Market forces were incapable of solving this. That is why we took control measures in three areas: exchange rate controls, price controls, and bank controls, for which we need special measures that we hope Congress will give us through the

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approval of bills that we have submitted. But as long as the bills remain unapproved, we have no choice but to exercise these measures through the suspension of corresponding constitutional guarantees.

We could not have raided a series of warehouses storing huge amounts of basic staples, which were being hoarded to create shortages that would be too serious for the country. Had these measures not been urgently applied—judicial procedures are slow, not because judges are not meeting their obligations but because the law establishes a series of conditions—we could not have caught these warehouse owners by surprise. The hoarders had collected huge amounts of merchandise that were later taken and sold in the marketplace at reasonable prices. If the measures had not been taken, this merchandise could not have been consumed by those who urgently need it.

Children were without milk; Venezuelans were without food. Food was stocked in warehouses because of speculation, hoarding. We could not allow that. The government is duty-bound by its people to make use of every power granted it by the Constitution to serve national interests.

Some have recalled here my modest but very steadfast and constant contribution to Venezuelan democracy and to constitutionality. I must recall that during the first term of government, when Mr. Romulo Betancourt was president, constitutional guarantees were completely suspended for almost the entire constitutional period. On the very day that we signed the Constitution in the Elliptical Room of the Federal Capitol, President Betancourt called the cabinet to Miraflores Palace to reconfirm the suspension of constitutional guarantees. We gave Mr. Betancourt our support, because we were aware that above group interests, above vested interests were the interest of Venezuela. He did not belong to my party. I could have said—although it was not the proper thing at that moment—that a man from the opposition, from an opposition party like the one I led, was a fundamental pillar in supporting President Betancourt in saving the country. The Constitution was saved, because constitutional guarantees were suspended, as provided by the Constitution. Had that measure not been taken, we would not be here celebrating 30-odd years of Venezuelan democracy.

It is necessary to recall this, because the Constitution is precisely the document that provides the resources that will save the Constitution. If one looks back on Venezuelan democracy, it is impossible to forget the history of the first five years, of the difficult five years in which a group of men agreed to maintain, to strengthen Venezuelan democracy.

Even up to now, I have never called any bloc in Congress an opposition bloc. If any group has defined or described itself as a faction, as an opposition element, it is through its own attitude, its own disposition. I see no opposition in any Venezuelan today, because I have appealed to all Venezuelans to commit themselves in solidarity.

There are diverse political factions in Congress. When Congress has agreed and has joined forces with the executive to resolve certain problems, democracy has worked. I cannot understand how, at this moment, democracy is not working. I think the country is demanding of us all concord, harmony, the aforementioned solidarity, which is the purpose, the commitment to do everything essential for everyone's well-being.

The situation in Venezuela is extremely serious. The decisions we have adopted have not been hasty, have not been whimsical, have not been out of a desire to stand out or to be authoritarian. I governed the country for five years without suspending constitutional guarantees for a single day. But now, if it is necessary to maintain the strength of power, I feel that this is our fundamental obligation, because that is why I was elected president of the Republic on 5 December. That is why a group of men and women are responsibly lending me their help, their support, their abilities in order to help Venezuela overcome this situation. I would like to say that we have been and are very respectful of Congress.

I think that during these six months of government, the cabinet ministers have been subject to the highest number of interpellations and limitations compared to any one-year period of any other government or to several years of any government's term. We have been respectful. We have clearly expressed the views of each and every one of the ministers. Sometimes they espouse their personal views, because this is not a government of eunuchs. Throughout the government, each of its members reserves the right to give his opinion and express his own views.

At this very moment, Messrs. Senators, Messrs. Deputies, the country is depending on us. The country wants us to provide solutions, but the solutions cannot be those of opening a door to permit the escape of those who have cheated the country in a miserable manner, creating a situation that is affecting us all, but which mainly has had a serious effect on the people.

In the neighborhoods that have been mentioned here, one can conduct a poll on the spot and see that everyone thinks that these decisions have been necessary. That is why the government is not just improvising solutions. The government is responding to a desire, to a necessity, to a common concern.

Members of Congress have vast experience in national politics; they know well enough what life is like in Venezuela. I invite them to find out for themselves, to ask questions, and to get the people's reaction. This is not a populist measure in apparent reaction to a specific event. This is about the people's need for someone to struggle for them. They do not want to continue being victims of a series of individual interests, of swindlers who have dug their claws into the nation's flesh and who do not want to let go. It is necessary to interpret the people's feelings. I have great hope that in Congress these arguments will be well-received so that we can truly achieve a sincere, harmonious, appropriate solution to truly and strongly ensure the march of Venezuelan democracy.

Messrs. Senators, Messrs. Deputies. [applause]

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